



## **MARULENG LOCAL MUNICIPALITY**

*INTERGRATED DEVELOPMENT PLAN*

*2013 - 2014/18*

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**LIST OF ACRONYMS**

BBBEE	BROAD BASED BLACK ECONOMIC EMPOWERMENT
CPA	COMMUNITY PROPERTY ASSOCIATION
COGHSTA	Cooperative Governance and Traditional Affairs
CDW	COMMUNITY DEVELOPMENT WORKER
CRDP	COMPREHESIVE RURAL DEVELOPMENT PLAN
DGDS	DISTRICT GROWTH DEVELOPMENT SUMMIT
DPLG	DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT
DOE	DEPARTMENT OF EDUCATION
DWA	DEPARTMENT OF WATER AFFAIRS
EPWP	EXPANDED PUBLIC WORKS PROGRAMME
ESKOM	ELECTRICITY SUPPLY COMMITTEE
GDP	GROSS DOMESTIC PRODUCT
GEAR	GROWTH EMPLOYMENT AND REDISTRIBUTION
IDP	INTEGRATED DEVELOPMENT PLAN
IGR	INTER-GOVERNMENTAL RELATIONS
LDA	LIMPOPO DEPARTMENT OF AGRICULTURE
LED	LOCAL ECONMIC DEVELOPMENT
LUMS	LAND USE MANAGEMENT SCHEME
MDM	MOPANI DISTRICT MUNICIPALITY
MEC	MEMBER OF EXECUTIVE COUNCIL
MFMA	MUNICIPAL FINANCE MANAGEMENT ACT
MLM	MARULENG LOCAL MUNICIPALITY
MSA	MUNICIPAL STRUCTURES ACT

MSA	MUNICIPAL SYSTEMS ACT
MTAS	MUNICIPAL TURN AROUND STRATEGY
NDP	NATIONAL DEVELOPMENT PLAN
NSDP	NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE
PMS	PERFORMANCE MANAGEMENT SYSTEM
RAL	ROAD AGENCY LIMPOPO
RDP	RECONSTRUCTION AND DEVELOPMENT PROGRAM
SAPS	SOUTH AFRICAN POLICE SERVICE
SDBIP	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN
SMME	SMALL MEDIUM MICRO ENTERPRISE
SWOT	STRENGTH, WEAKNESSES, OPPORTUNITIES AND THREATS

## **1. STRATEGIC INTENT**

### **1.1 Vision**

To be the power house of socio-economic development through sustainable and integrated agriculture and tourism

### **1.2 Mission**

Maruleng Local Municipality is committed to the provision of the basic services and the promotion of socio-economic development in an integrated and sustainable manner

### **1.3 Slogan**

Wildlife haven

### **1.4 Values and ethics**

**The municipality adheres to the following values and ethics that uphold the constitution of the Republic of South Africa through:**

- Courtesy
- Transparency
- Commitment
- Trustworthy
- Accountability
- Reliability
- Accessible
- Honesty
- Respect
- Professionalism





## 2. MAYOR'S FOREWORD

This document- the Integrated Development Plan (IDP) is the second strategic plan of the current Council which came in office after the 2011 Local Government Election. It is also the product of many months of consultation within the Maruleng municipal Council and with communities, institutions, organizations and individuals in the wider civil society. This IDP Review for 2013/18 is a developmental but political-driven plan, developed to guide socio-economic development in the municipal area. It is a strategic plan that defines the synergy between various priority needs and the sector plans that address community needs. In the main, it is informed by the National Development

Plan which focuses on redressing the triple ills, namely poverty, unemployment and inequality. The key pillars of National Development Plan are:

- The active efforts and participation of all South Africans in their own development
- Redressing the injustices of the past effectively
- Faster economic growth and higher investment and employment
- Raising standards of education, a healthy population and effective social protection
- Strengthening the links between economic and social strategies
- Collaboration between the private and public sector

The 2013/18 IDP review process has also assisted in determining community and stakeholder needs, prioritizing developmental objectives and seeking better ways to implement programmes to achieve key objectives and measuring municipal performance. The municipality has prioritized communities needs particularly, the rural poor.

There have been ongoing processes to review the institutional arrangements of the administrative structures of the Council to enable the municipality to meet the developmental challenges as per its Constitutional mandate. Council is also improving its communication, participatory and decision-making mechanisms to ensure that IDP remains the only popular strategic roadmap to the betterment of life for all. The focus for this financial year will be on accelerated service delivery and job creation. On behalf of Council I would like to appreciate the contribution of all our stakeholders through the IDP process. **“No government can claim legitimacy if is not based on the will of the people.”**

**TOGETHER WE CAN BUILD BETTER COMMUNITIES!**

**P.A.MAFOLOGELE**

**MAYOR**



### **3. EXECUTIVE SUMMARY**

The IDP has to be reviewed annually in order to:

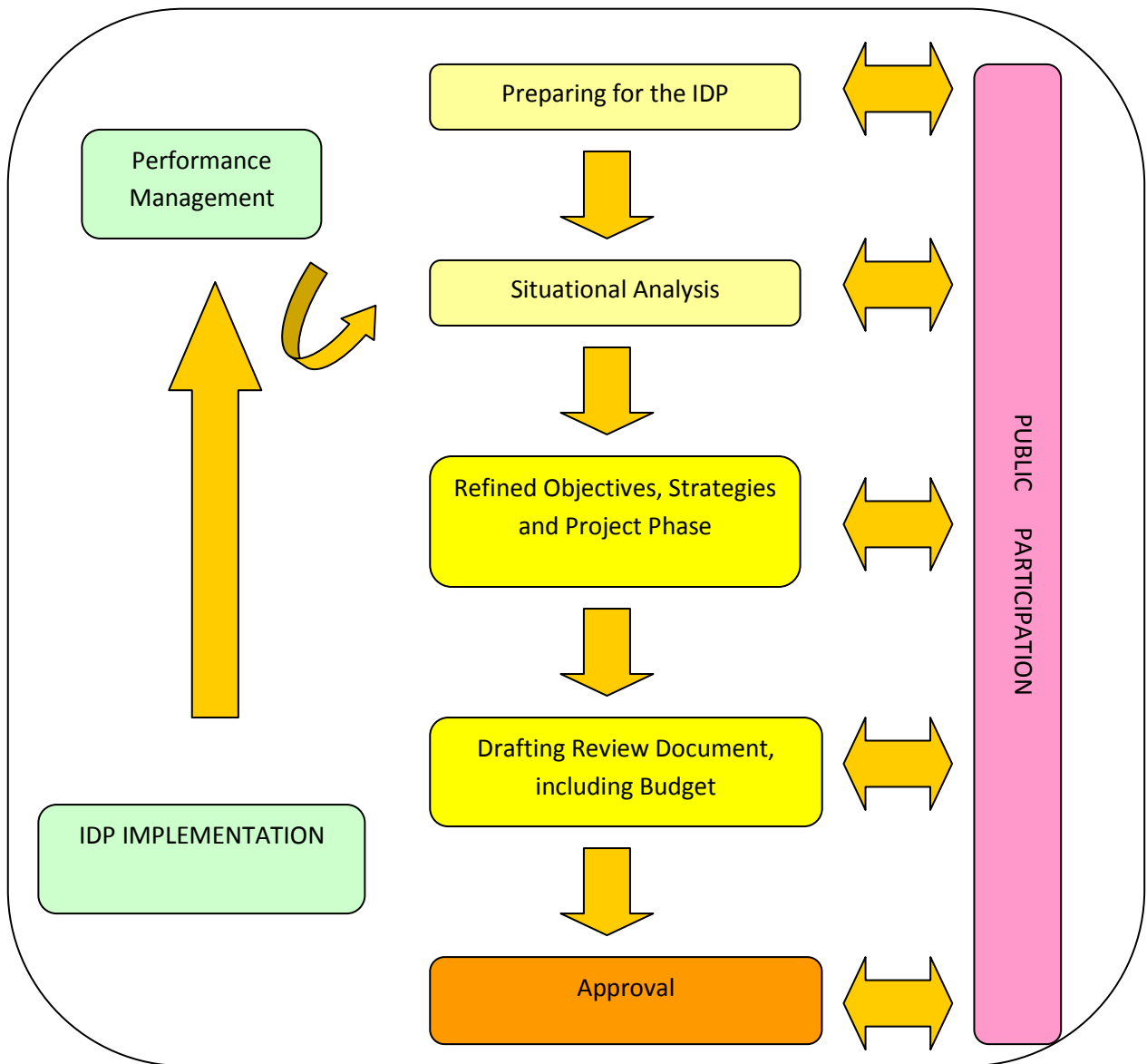
- Ensure its relevance as the Municipality's Strategic Plan
- Inform other components of the Municipal business process including institutional, financial, planning and budgeting.
- Inform the cyclical inter-governmental planning and budgeting cycle.

For the IDP to remain relevant a municipality must assess its performance and the achievements of its targets and strategic objectives. The IDP will therefore have to reflect the impact of successes as well as corrective measures to address challenges.

The IDP, as the Maruleng Municipality's strategic plan, informs municipal decision-making as well as all business processes of the Municipality. The IDP must inform the municipality's financial and institutional planning and most importantly, the drafting of the annual budget.

The IDP process and the budget process are two distinct but integrally linked processes which must be coordinated to ensure that the IDP and budget related policies and the tabled budget are mutually consistent and credible. (Municipal Finance Management Act, 2003; Local Government: Municipal Planning and Performance Management Regulations, 2001).

The IDP process will address internal and external circumstances that impact on the priority issues, objectives, strategies, projects and programmes of integrated planning as reflect below in figure 1.



### **Key Elements to be addressed during this Process**

During the process of deepening strategic influence of the IDP, consideration to the constantly changing environment impacting on the municipality needs to be considered too. In general terms the review then also addresses the following:

- Incorporation of comments from various Role Players
- Incorporate comments from Provincial MEC
- Review and inclusion of new/additional information
- Weaknesses through self-assessment
- Alignment of Sector Plans
- Alignment of IDP with Programmes and Policies of other spheres of government

This executive summary gives a concise overview of the municipality, its current situation, key challenges and opportunities. It also highlights priorities, strategies to improve the situation, how progress will be measured as well as powers and functions of the municipality.

### **Strategic objectives**

The Department of Local Government and Housing has identified Key Performance Areas (KPA's) whereby the Strategic Agenda can be implemented and monitored. Of critical nature for the municipality will be to link its strategic objectives to the Strategic Agenda of National Government.

The table below provides the detail whereby the strategic objectives of the municipality can be linked to the five Key Performance Areas as stipulated by the Department of Cooperative Governance:

<b>DPLG KPA</b>	<b>OUTPUTS (OUTCOME 9)</b>	<b>MUNICIPAL STRATEGIC OBJECTIVES</b>
Municipal Transformation and Organizational Development	Differentiate approach to municipal financing, planning and support	Plan for the future  Develop and retain skilled and capacitated workforce
Basic Services and Infrastructure Development	Improved access to basic services  Support for human settlements	Improve Community well-being through accelerated service delivery  House the nation and build integrated human settlement
LED	Implementation of community work programme	Grow the economy and provide livelihood support  Develop partnerships
Municipal Financial Viability and Management	Improve municipal financial and administrative capability	Become financially viable  Develop, retain skilled and capacitated workforce
Good Governance and Public Participation	Refine ward committee model to deepen democracy  Single coordination window	Effective and efficient community involvement  Improve inter-governmental function

## Opportunities

### ❖ Tourism

The Maruleng Municipality has large game farms from which the municipality can grow its tax base. It also boasts of the East gate Airport through which it can promote its tourism status and ensure direct access to other provinces for marketing. The area is also imbued with agro-products across. Maruleng municipality is wedged between some of Limpopo prime tourist attractions, including the Kruger National Park, Timbavati Private Reserve and Blyde River Canyon. Significant tourism related activities exist as well as numerous private lodges and guesthouses. An existing airport will play a significant role to increase tourist traffic and establish the area as a gateway to the Kruger and surrounding areas.

There are an estimated 2814 beds in 70 lodges 10 guesthouses and 10 resorts in the municipality. Estimated 70 to 80% of Lowveld luxury lodges. R527 route gives access to Khamai Reptile Park, Bombyx Mori Silk farm and Moholoholo Animal Rehabilitation centre. Maruleng municipality boasts major Private Game Reserves and 5-star luxury lodges, namely;

- Thornbush and Kapama
- Timbavati (home of the white lions)
- Klaserie
- Babule and Oliphants

It also houses Hoedspruit endangered species centre which is the world famous Cheetah breeding. The area falls within Limpopo Tourism “Valley of Oliphants” tourism route. Blyde river canon offers Bird watching (globally recognised and important bird area), Adventure tourism including hiking, white water

Rafting, abseiling, hot air ballooning. The municipality serves as the centre of the Kruger 2 canyon Biosphere and has Drakensberg Mountain Range which has rock climbing, hiking and Mariepskop (scenic Mountain View)



## Agriculture

Agriculture currently is, and is likely to remain a key economic sector and employment generator in Maruleng. Maruleng dominant economic activity is commercial agriculture. The region is the leading producer and exporters of mango and one of the largest producers of citrus. Other crops such as vegetables are increasingly becoming important. Citrus and mango require significant production levels in order to be profitable and there are concerns that these are not viable options for small emerging farmers unless structured through co-operatives. Potential exists to introduce sugar cane would provide alternatives for smaller emerging farmers.

The types of products grown in the area vary between subsistence and commercial farming, with the latter relying on irrigation to produce variety of crops namely:

- Field crops such as maize
- Produce crops such as citrus, mango, vegetables, tomatoes, avocados and onions.

There are other agricultural activities such as live stock which focuses on cattle, goats and poultry, and game farms and marula. However the following critical areas must be addressed if the agriculture is to remain competitive;

- The speedy and effective resolution of land claims and the introduction of Private sector partnerships to ensure skills transfer and ongoing commercial viability of farms.
  - Significant investment in transportation infrastructure, notably
  - Roads and rails as well as the exploring of options to establish and
  - Airfreight hub in Hoedspruit.
  - The more effective branding and marketing of Maruleng produce and
  - Securing of contracts with local and domestic customers such as large food Retail chains.
- 
- The development and expansion of agro-processing activities such as juice processing, fruit drying etc.





#### ❖ **Infrastructure**

- The municipality has a fairly good infrastructure
- Most services are easily accessible to most of the people.
- All the major roads are tarred.
- Thusong centre which is in Metz central provides most of the essential services to the rural areas
- Information centres in Hoedspruit and The Oaks
- Accommodation places are in good standards and offer excellent services.

#### ❖ **Municipal Future Plans**

- Ensure that all communities have access to clean portable water by 2014
- Ensure that all communities have access to electricity by 2014
- Ensure that unemployment is halved by 2014
- Provide access to housing
- Create job opportunities and reduce poverty rate through infrastructure development, service delivery, procurement and support for SMME's and Broad Based Black Economic Empowerment (BBBEE)
- Provide infrastructure that is conducive for economic development and growth
- Provide universal waste removal to all communities
- Acquire more resources to provide and maintain the existing and proposed infrastructure
- Integrated planning and service provision in rural areas
- Integrated human settlement in Hoedspruit
- Strengthen community participation and IGR
- Effectively deal with communicable and non-communicable diseases
- Facilitation of economic activities in both urban and rural areas.
- Increase revenue base

#### ❖ **Progress Measurement**

The Municipal Finance Management Act No.56 of 2003, Section 1 states that the mayor of the municipality should approve a Service Delivery Budget Implementation Plan (SDBIP) each financial Year. SDBIP should include monthly projections; revenue collected indicating sources, operational and capital expenditure by vote and indicates delivery targets and performance indicators. The municipality recognizes the fact that a well designed SDBIP will generate a good performance management system. Therefore the municipality develops and adopts SDBIP on an annual basis. The SDBIP is divided into four quarters and monitoring and evaluation is done on quarterly basis.

The SDBIP is an operational plan that clearly outlines Key Performance indicators, Objectives, Timeframes, outputs, outcomes and strategies for each program and projects. The SDBIP is informed by the IDP and Budget. Municipal Systems Act No. 32 of 2000, Chapter 6 compels municipalities to establish performance management system that is:

- Commensurate with its resources
- Best suited to its circumstances
- In line with the priorities, objectives, indicators and targets contained in the IDP

The municipality has established the performance management system which monitors, measures and reviews performance on regular basis.



## **4. IDP Process**

### **4.1. Background**

The integrated development plan (IDP) as a primary outcome of the process of integrated development planning, is a tool for bridging gap between the current reality and the vision of (1) alleviating poverty and meeting the short-term development needs of the community and stakeholders within the municipality area and (2) eradicating poverty from our municipality over the long-term in an efficient, effective and sustainable manner.

The constitution of the Republic of South Africa (Act 108 of 1996) is the supreme law of the country and has fundamental aims to protect human rights and promote democratic governance. The constitution also provides for a new approach to government on national, provincial and local government levels .The constitutional mandate that the constitution gives to local government, is to:

- Provide democratic and accountable government for all communities.
- Ensure the provision of services to communities in a sustainable manner.
- Promote social and economic development.
- Promote a safe and healthy environment.
- Encourage the involvement of communities and community organizations in the matters of local government.

The white paper on Local Government expects municipalities to be working with citizens and groups within the community to find sustainable ways to meet their economic, social and material needs and improve the quality of their lives.

The Municipal Systems Act (MSA 2000) defines the IDP as one of the core functions of a municipality and makes it a legal requirement for every council to adopt a single, inclusive and strategic plan for the development of its municipality.

Other laws amongst others that provide guidelines for the development of IDPs include:

- The Local Government Transition Act second Amendment Act 1996 (Act 97 of 1996);
- The Municipal Demarcation Act,1998 that provides the framework for the on-going demarcation process;
- The Municipal Structures Act, 1998 that defines the institutional settings for the municipalities and describe core functions and responsibilities;
- The National Environment Management Act 1998;
- Municipal Finance Management Act 56 of 2003 that seeks to secure sound and sustainable management of the financial affairs of the municipalities and other institutions of the local sphere of government.
- National Environmental Management Act: Waste Act, Act No.59 of 2008

## **4.2. Framing the 2013/18 IDP**

The 2013/18 IDP was prepared within the legal and policy requirements, opportunities provided and challenges posed by the local, provincial and national context.

### **4.2.1. The National Planning Context.**

The Maruleng Local Municipality is aware of the critical challenges facing the country as a whole, as well as the National Strategies Priority Areas to meet those challenges. The government has identified five priority areas for the next five years (2009-2014)

- **Creation of decent work and sustainable livelihoods;**
- **Education;**
- **Health;**
- **Rural development, food security and land reform; and**
- **The fight against crime and corruption.**

In order to achieve these objectives the performance and developmental impact of the state will have to vastly be improved. While capacity building, better systems, a greater focus on implementation, and improved performance management will play a key part in this endeavour, integration, alignment and synergy between the actions of three spheres government are important.

As decided by Cabinet around aligning the NSDP, PGDS and IDPs, the key to this activity is ensuring that the three spheres of government use the common platform of (1) “need/poverty” and (2) “developmental potential” as espoused in the NSDP to analyze the space economy of their areas of jurisdiction. In addition to this decision it requires for the role of the IDPs of the municipalities in determining and structuring public investment and development spending to be drastically strengthened. This means that municipalities should play a greater role in determining priorities and resources allocation. The IDPs have to become far more decisive on the areas of need and development.

### **The National Development Plan focuses amongst others on the following:**

- The active efforts and participation of all South Africans in their own development
- Redressing the injustices of the past effectively
- Faster economic growth and higher investment and employment
- Raising standards of education, a healthy population and effective social protection
- Strengthening the links between economic and social strategies
- Collaboration between the private and public sector

#### **4.2.2. The Provincial Planning Context**

The primary influencing factor in the provincial domain is the Limpopo Employment Growth and Development Plan (LEGDP). The LEGDP sees the competitive advantage of the Province in mining, agriculture, tourism and manufacturing. Clustering is viewed as key to success in these sectors. In case of the District, the strategy emphasis investments in agriculture, forestry, tourism and to a lesser extent, trade.

In order to give effect to the strategic objectives, as spelled out in the electorate mandate of the ruling party, the provincial Government of Limpopo has contextualized ten priority areas, as contained in the Medium Term Strategic Framework into key strategic priorities which will guide service delivery for the next five years.

#### **The key Strategic Priorities of the LEGDP are:**

- Ensuring more inclusive economic growth, decent work and sustainable livelihoods
- Economic and social infrastructure
- Rural development, food security and land reform
- Access to quality education
- Improved health care
- Fighting crime and corruption
- Cohesive and sustainable communities
- Creation of better world and better Africa
- Sustainable resource management and use
- A developmental state, including improvement of public services

The LEGDP also argues that IDP's should, in addition to the municipal focus, also consider wider Provincial and National issues. It also mentions that IDPs should strike a balance between interventions focused on addressing the social needs of citizens and promotion of economic growth. The LEGDP emphasizes on decent work and sustainable livelihoods as the foundation of the fight against poverty and inequality and its promotion should be the cornerstone of all the efforts.

#### **4.2.3. The Local Planning Context.**

At the local level, a number of fundamental issues impact on the planning processes of the Maruleng municipality. Firstly, the municipality is informed by national. Provincial and district programmes such as NDP, New Growth Path, NSDP, LEGDP and the District Developmental Plans.

Secondly, and most important its geographical location and key features such agro-processing and tourism if optimal utilized may see the rapid development. The 2013/18 Maruleng IDP is a continuation of the drive towards the alleviation of poverty over a short term and eliminating of endemic poverty over the longer period.

This IDP also focuses on the National Development Plan (NDP), Limpopo Employment Growth and Development Plan etc. At the core of the 2013/18 IDP is the challenge and commitment to (1) deepen local democracy, (2) enhance political and economic leadership, (3) accelerate service delivery, (4) build a developmental local government, (5) ensure that the municipal planning and implementation are done in an integrated manner within all spheres of government.

## **Powers and Functions**

The powers and functions of the Municipality in terms of section 155(6) (a) and (7) Act 108 of 1996 and as delegated by the MEC of Local Government and Housing are defined as follows:

- ✓ Building regulations
- ✓ Billboards and the display of advertisements in public places
- ✓ Local Tourism
- ✓ Cleansing (cemeteries etc.)
- ✓ Municipal Planning
- ✓ Storm water Management
- ✓ Municipal Parks and Recreation
- ✓ Municipal Roads
- ✓ Special Programmes
- ✓ Disaster Management
- ✓ Street Lighting
- ✓ Refuse Removal, Refuse Dumps and Solid Waste
- ✓ Traffic and Licensing

The division of powers and functions between the district municipalities and local municipalities were adjusted by the MEC for Local Government and Housing in terms of sections 16 and 85 of the Municipal Structures Act, 1998 and published in the Provincial Gazette No.878, dated 07 March 2003 which gave Local Municipalities the function of promoting local tourism. In terms of refuse removal the municipality is outsourcing the serves of West Group as the municipality does not have the required capacity but currently building the required capacity to perform the function in-house. There are very few functions that are not critical in nature which the municipality is not currently performing due to lack of capacity which is currently building functions such as dog licensing etc.

### **4.3. Basis for IDP Review Process**

The preparation and review of the IDP is a continuous process providing a framework for all development planning in the municipality. As such the IDP is not only annually assessed in terms of delivery and the prevailing conditions in the municipality, but also improved upon each and every year. The following aspects informed the 2013/18 IDP Review process:

- Updating baseline information to ensure sound decision-making in addressing service delivery gaps;
- Meeting the national targets in terms of service provisioning;
- Responding to key issues raised in the 2013 State of the Nation and Provincial Addresses focusing on “job creation through massive infrastructure development”.
- Aligning Sector Departments’ strategic plans to the municipality service delivery programmes;
- Strengthening focused Community and stakeholder participation in the IDP processes;
- Meeting targets in terms of the KPAs of the local government strategic agenda;
- Responding to the Community priorities for 2012/17as reflected in the matrix on pages
- Responding to issues raised during the municipality Assessment (SWOT);
- Updating and developing pending sector plans and programmes of the IDP
- Revising the vision, mission, objectives, strategies, programmes and projects; and
- Alignment of IDP, Budget and PMS activities.
- National Key Priority Areas and the National Outcomes

#### 4.4. MEC Comments

Table 3 indicates the specific interventions that will address the MEC comments on 2011/12 IDP. It must however, be indicated that only few areas need interventions in terms of the MEC's Assessment.

MEC COMMENTS	INTERVENTIONS
No indication of Municipal Institutional Plan	Institutional Plan Developed
No indication of 5year financial Plan	To be developed in the next financial year

#### 4.5. Institutional Arrangements to Drive IDP Process

The following table portrays the structures/stakeholders, composition, and their roles and responsibilities in respect of the Integrated Development Planning Process in the Maruleng Local Municipality.

**Table1: IDP STRUCTURES, ROLES AND RESPONSIBILITIES**

STRUCTURE/STAKEHOLDER	COMPOSITION	ROLES AND RESPONSIBILITIES
Executive Committee	Mayor, Portfolio chairpersons and members of the management Committee	Mayor chairs IDP Forum meetings EXCO decides on the Process Plan and makes recommendations to Council
Council	All Councillors	Approves the Process Plan and IDP
Municipal Manager	Municipal Manager	Oversees the whole process and takes responsibility therefore
IDP/PMS Manager	IDP/PMS Manager	Managing the IDP Process on a daily basis
Secretariat	Provided by the office of the Municipal Manager	Record proceedings at IDP meetings Issue invites for all IDP meetings Distribute minutes and reports to all stakeholders
IDP Steering(Technical) Committee	Municipal Manager IDP/PMS Manager Section 57 Managers Sectional Heads Communication Officer	Provide technical expertise and support Ensure that the annual municipal budget and business plans are linked to and based on the IDP

IDP Representative Forum	Mayor Executive Committee Members Councillors IDP Steering Committee Traditional Leaders Ward Committees Representative of Organised Groups Sector Departments and Parastatals Mopani district municipality	Represent interest of their constituents in the IDP process  Provide organizational mechanism for discussion, negotiation and decision making amongst stakeholders  Monitor the performance of the planning and implementation process
Ward Councillors and Ward Committees	All Ward Councillors	Link the planning process to their wards  Assist in the organizing of public consultation and participation

#### 4.6. Process Overview: Steps and Events

The IDP Process Plan was approved by the Maruleng Municipal Council on 7<sup>st</sup> August 2012.

The activities that transpired during Maruleng Municipal IDP review are presented in Table 2:

DATE	STRUCTURE	PURPOSE/ACTIVITY
01 July 2012	IDP Steering Committee	Development of the Process Plan
16 July 2012	IDP Representative Forum	Presentation of Process Plan
01 August 2012	Council	Adoption of the Process Plan
1 October 2012	IDP Steering Committee	Preparation of the Analysis Phase
2 October 2012	IDP Representative Forum	Presentation of the Analysis Phase
25 October 2012	Council	Adoption of the Analysis Phase
14 November 2012	IDP Steering Committee	Preparation of the Strategic Planning Session
23 <sup>rd</sup> - 25 <sup>th</sup> November 2012	Councillors, Management, Sectional Heads, Mopani District Municipality, Sector Departments, OTP and Traditional Leaders	Strategic Planning Session
13 March 2013	IDP Steering Committee	Consolidation of Projects and Integration Phases

14 March 2013	IDP Representative Forum	Presentation of Project and Integration Phases
6 -10 May 2013	Community Members	IDP/Budget/PMS Public Participation
17 May 2013	IDP Representative Forum	Presentation of final IDP/Budget/PMS
29 March 2013	Council	Adoption of Draft IDP/Budget

#### 4.7. Public Participation

##### 4.7.1. IDP Representative Forum Meetings

The municipality had 3 IDP Representative Forums. These meetings were well attended by most stakeholders. The attendance by Sector Departments has improved compared to the previous year. However participation by Private Sector remains a critical challenge.

##### 4.7.2. Community Inputs

The municipality has functional ward committees in all its 14 wards but one and 09 CDW's which serve as conduits between the municipality and community regarding municipal business. They are attending all municipal activities as expected. About five Mayoral Public Participation Meetings (community meetings) were held where communities were given progress reports and continuous seeking mandate. Five IDP/Budget/PMS community public participation meetings were held from the 6-10 May 2013. Inputs received from these meetings shaped the final IDP and budget and will assist in the next planning processes.

#### 4.8. Inter-Governmental Relations

Maruleng Local Municipality is responsible for facilitating inter-governmental relations within its area of jurisdiction. The municipality is the convener of the Manager's forum a "key forum for strategic alignment, coordination and integration" that serves as an inter-governmental structure where the Sector Departmental Managers in the municipality meet with their municipal counterparts. The relationship between the municipality and sector departments has improved. The municipality participated in the District and Provincial Intergovernmental forums.

## 5. Situational Analysis

### 5.1 Geographic Location and Key Features

Maruleng is a Sepedi word derived from the name of the fruit “marula” which is indigenous in Limpopo. The name means a place of Marula. The Marula tree is indigent to this area and is used in many ways, for instance marula drink, essential oil, fruit, jam, beer, certain types of nuts and the medicinal bark. The Maruleng municipality is situated in the South eastern quadrant of the Limpopo province within the Mopani District Municipal Area of jurisdiction. The Maruleng municipality is bordered by the greater Kruger National Park to the east, the Ba-Phalaborwa and Tzaneen municipalities to the north, the Lepelle Nkumpi municipality to the west, and Tubatse and Bushbuckridge to the south. Maruleng is characterised by typical lowveld vegetation. To the south municipal area borders the Drankensberg escarpment. Although resources within the boundaries of the municipal area are scarce, the local of natural resources (in terms of game and nature reserves) within its boundaries as well as on the perimeter of its boundaries offer many opportunities for development. The main access points to the municipal area are Klaserie and the Strijdom tunnel in the south, Ofcolaco in the west and Mica in the north. The town of Hoedspruit is the administrative and economic centre of the area. Hoedspruit is 74km south of Ba-Phalaborwa (R40), 135km north-east of Lydenberg and 225 km from Polokwane. It has one major urban area (Hoedspruit) which harbours 2.3% of population and 36 communities which harbour 88.7% and farms which harbour 9% and a total of 14 wards. Hoedspruit also houses South African Air Force Base. The Maruleng municipal area is approximately 3247 km<sup>2</sup>.

### 5.2 Demographics Analysis

Maruleng’s population is youthful, with Sepedi being the main language. The following analogy provides an overview of the important demographic indicators of the Maruleng Municipality. It covers the population size, age distribution, unemployment, income generation, educational levels and services backlogs. The socio-economic profile of the Municipality provides an indication of poverty levels of and development prospectus

#### 5.2.1 Population Trends

The reconciled total population of Maruleng Municipality is as follows in Table 4 below:

POPULATION		HOUSEHOLDS	
Census 2001	Census 2011	Census 2001	2011
94383	94 857	19 668	24 470
% increased	0.49 (474 persons)	% increased	24.4% (4 802 households)

Source: (census 2011)



### Population per Ward per Gender

Ward	Total Population	Male	Female
Ward 1	5 622	2 986	2 636
Ward 2	8 255	4 075	4 180
Ward 3	6 861	3 083	3 778
Ward 4	6 298	2 822	3 475
Ward 5	5 927	2 648	3 279
Ward 6	7 235	3 320	3 914
Ward 7	6 184	2 832	3 352
Ward 8	7 669	3 421	4 248
Ward 9	6 366	2 884	3 523
Ward 10	6 648	2 902	3 741
Ward 11	8 792	3 987	4 807
Ward 12	8 259	3 798	4 460
Ward 13	6 083	2 792	3 291
Ward 14	4 659	2 062	2 597
<b>TOTAL</b>	<b>94 857</b>	<b>43 576</b>	<b>51 281</b>

Source: (census 2011)

### Households per Ward

Ward	Households	Percentage
Ward 1	2 065	8.43
Ward 2	2 396	9.79
Ward 3	1 675	6.84
Ward 4	1 449	5.92
Ward 5	1 579	6.45
Ward 6	1 959	8.00
Ward 7	1 532	6.26
Ward 8	1 841	7.52
Ward 9	1 652	6.75
Ward 10	1 649	9.08
Ward 11	2 223	9.08
Ward 12	2 014	8.23
Ward 13	1 420	5.80
Ward 14	1 016	4.17
<b>TOTAL</b>	<b>24470</b>	<b>100%</b>

### 5.3. Age and Gender Distribution

The population distribution by age categories and gender of the Municipality is presented in figure 2 and table 1, it is clear that the percentage of females increase along with age, implying that women live longer in the age group 0-4 years the percentage of males and females are fairly even, compared to the age group 35-65 and older where female constitute 54 % of the population.

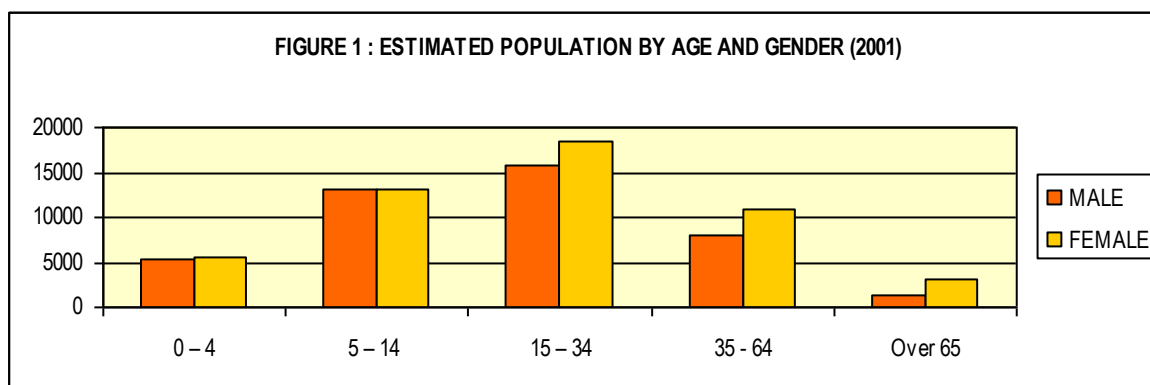


Table 5: ESTIMATED POPULATION BY AGE AND GENDER

	0 – 4		5 – 14		15 – 34		35 – 54		55-65		Over 65	Total
	No	% **	No	%	No	%	No	%	No	%	No	
MALE	6 039		10 446		16 525		6 864		2 189		1 513	43 576
FEMALE	5 997		10 107		18 528		10 502		2 972		3 175	51 281
<b>TOTAL</b>	<b>12036</b>	<b>12.6</b>	<b>20553</b>	<b>21.6</b>	<b>35053</b>	<b>36.9</b>	<b>17366</b>	<b>18.3</b>	<b>5161</b>	<b>5.4</b>	<b>4688 (4.9)</b>	<b>94 857</b>

Source: STASSA 2011

#### 5.4. Employment Profile

Table 6: depicts employment status

Economic Active	Employed	Unemployed	Discouraged work-seekers
26 798	13 498	8 945	4 357

Census 20011

- Employment rate is 50,3 % of the economic active population
- While unemployment is at 33.3% of the economic active population
- Discouraged work-seekers represents 16.2% of the economic active population

### 5.5. Household income

About 3700 households (15%) in the municipality fall within the category earning below R1500.00 per month and about 32 871 people live on grants.

Table 7: Individual Monthly income

INCOME CATEGORY	Persons
NO INCOME	42,564
R 1 - R 400	26,034
R 4 01 - R 800	2,578
R 801 - R 1600	12,489
R 1601- R 3200	1, 261
R 3201 - R 6400	1,374
R 6 401 - R 12 800	1,625
R 12 801 - R 25 600	1,085
R 25601-R 51 600	288
R 51601-R 102 400	54
R 1 02401 - R 204 800	57
R 204800 or more	38
Unspecified	3,031
Not applicable	1,398

Census 2011

## 5.6. Level of Education

About 11.6 % of the population lacks any kind of schooling. About 36.8% of the population has some form of education. 9.06 % of the adult population has higher education according to the 2011 Census which is about 4 % improvement from Census 2001.1380 females have higher education compared to their male counterparts of only 1057 as stipulated in table 8.

Level	Number	Male	Female
No schooling	11 011	3 830	7 181
Grade 0	3 872	1 933	1 939
Grade 1 (sub A)	3 177	1 618	1 559
Grade 7 (Std 5)	4 279	2 186	2 093
Grade 8 (Std 6 )	5 867	3 035	2 832
Grade 10 (Std 8)	7 841	4 379	3 462
Grade 12 (Std 10)	9 811	3 996	5 815
Diploma with Grade 12	805	343	462
Higher Diploma	708	307	401
Bachelors Degree	405	190	215
Bachelors Degree and Post Graduate Diploma	176	72	104
Honours	211	76	135
Masters and PhD Degrees	132	69	63

## 5.7. People with disabilities in the municipality

There are 3340 people with disability in the municipality. The major challenge facing people with disabilities ranges from lack of skills, lack of employment opportunities as well as assistance devices like wheelchairs, walking sticks, hearing aids etc.

Table 9: below depicts disability by gender

Type of disability	Male	Female
Sight	295	116
Hearing	320	57
Communication	331	124
Physical	606	465
Intellectual	0	57
Emotional	463	347
Multiple	102	57
Total	2117	1223

(Census 2011)

## 5.8 Spatial Rationale

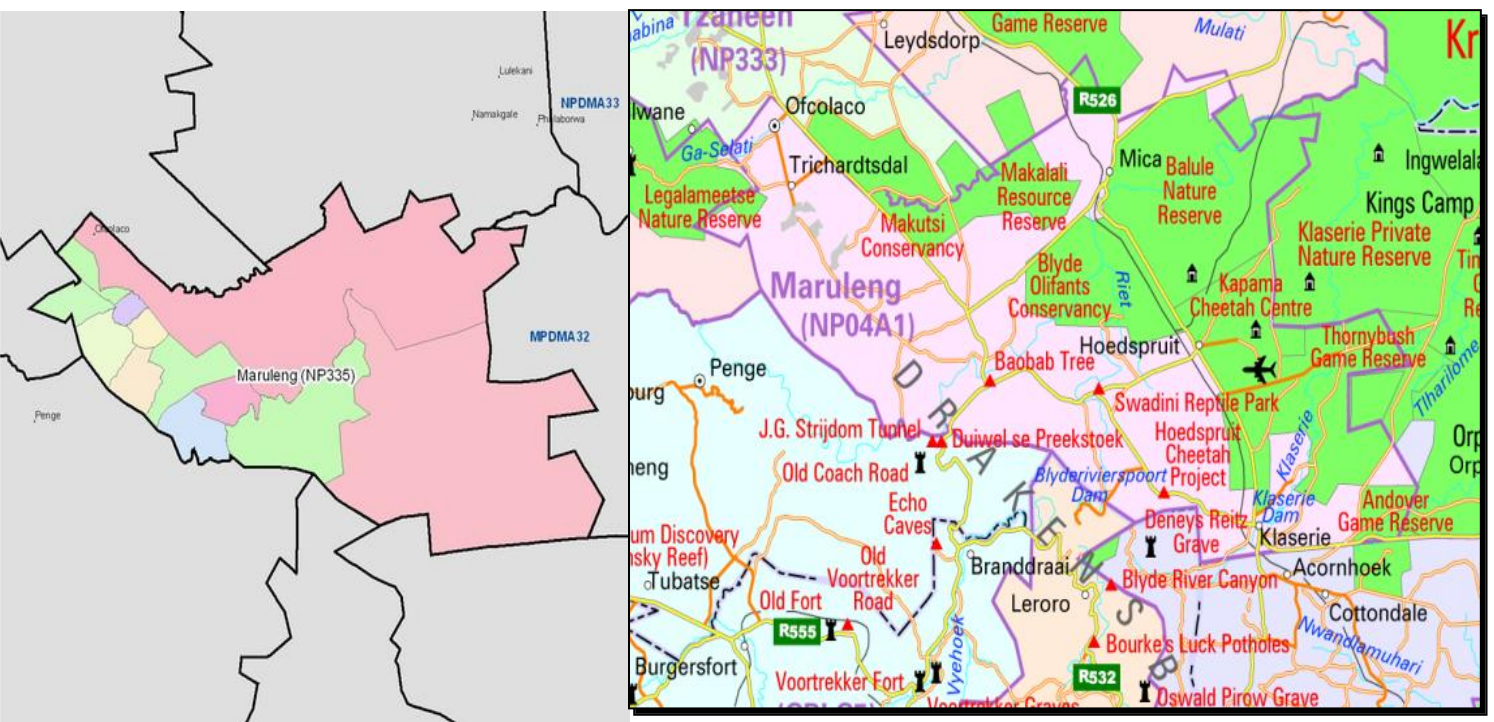
### 5.8.1. Purpose of spatial analysis

The spatial analysis exercise provides a visual picture of the existing spatial pattern (that nodes, networks and areas) that has emerged in the municipal area. This analysis serves to describe the municipal area in spatial terms and understand how space is utilized in the municipality. It also looks at settlement patterns and growth points (nodes), population concentration areas, land claims and their socio-economic implications. All these aspects have a bearing on future land usage, infrastructure investment, establishment of sustainable human settlements, public transport and local economic development

### 5.8.2. Settlement patterns.

The Maruleng population is concentrated in 33 rural communities. Maruleng's spatial economic development pattern is deeply marked by legacy of Apartheid with the majority of black population confined to dense rural settlements with limited economic activity and access to urban infrastructure. The Western quadrant comprises mainly dense residential areas which 90% of Maruleng's population resides and little economic development and major infrastructure and service backlog. The Northern quadrant is dominated by game reserves.

Limited mining in Mica and Hoedspruit at the Southern edge is the administrative and commercial centre of the region. While the Southern quadrant is mainly a tourism activities centered on the Blyde Canyon and, the Eastern quadrant is mostly game reserves and private lodges with few mainly white residence.



Municipal area map and natural resources

### 5.8.3. Spatial Challenges

- Scattered settlements thus become too cost to provide services
- Hoedspruit which is the economic hub is located far away from the villages and it is not easily accessible by the poor.
- The apartheid residential is still very much evident with sprawling rural villages situated in traditional authority areas located far away from employment opportunities, thus become too costly for people to travel to their working places.
- Large areas of land in Hoedspruit is privately owned and not easily accessible for development..
- State- owned land is mostly under the custodianship of Traditional Authorities. Large percentage of land is held under leasehold title and Permission to Occupy. Because of this, land ownership is regarded as insecure, which in turn acts as a hurdle to land development
- Land in state ownership includes Hoedspruit Air Force Base which owns considerable hectares of land which cannot be utilised for development because of state security considerations.

### 5.8.9 Opportunities

Maruleng is characterized by clearly identifiable land use areas, including: extensive agriculture areas, predominated by the growing of citrus fruit; game reserves and nature reserves, including game lodges; sprawling rural residential villages along the foothills of the Drakensberg escarpment; extensive areas in the form of wildlife estates, centred on Hoedspruit; the Hoedspruit Air Force Base and East Gate Airport, which shares runways; rural residential development at Kampersrus; and, low-intensity mining at Mica.

### 5.8.10 Settlement Hierarchy

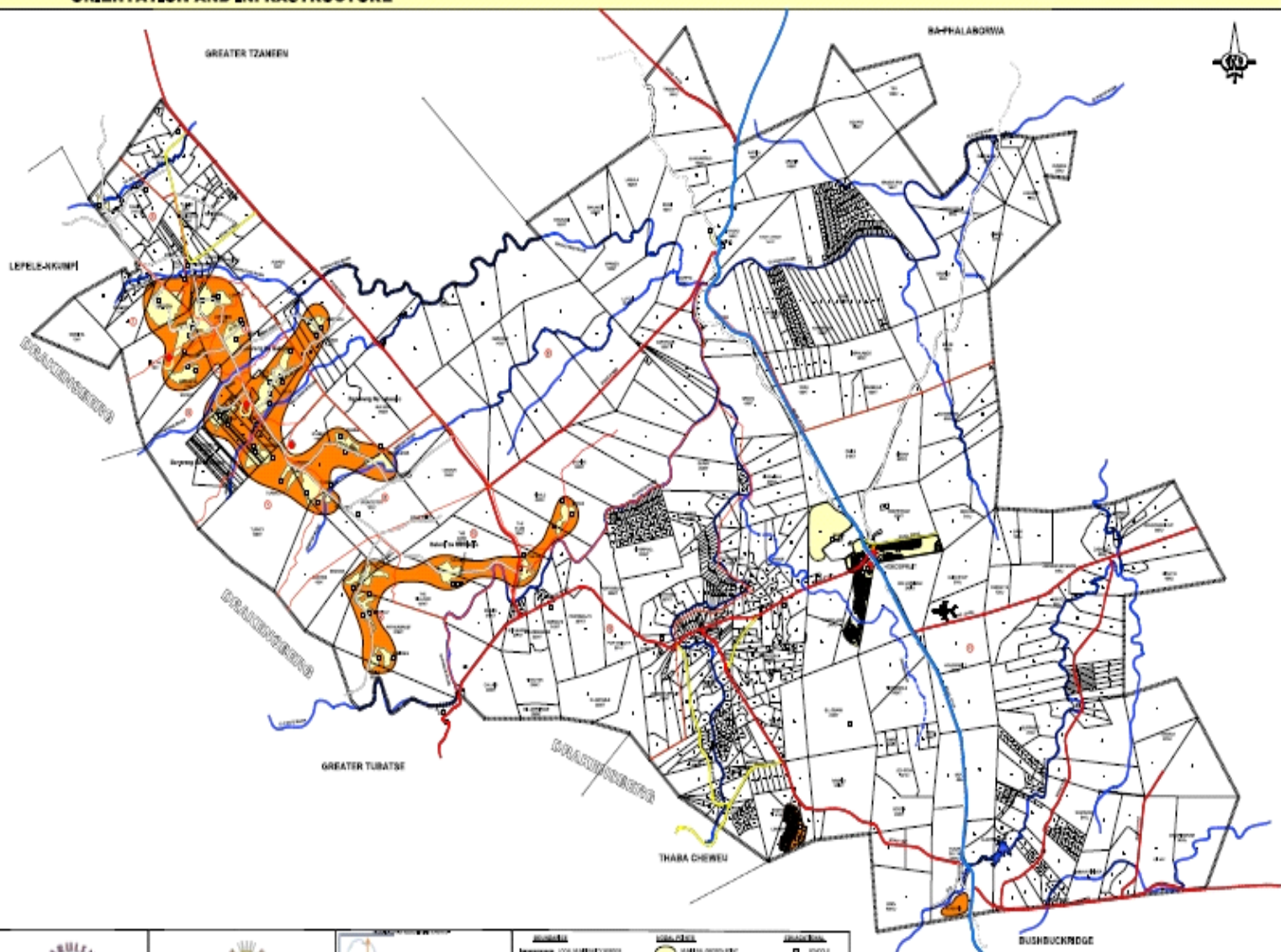
Settlement hierarchy of the municipality is usually based on the classification of individual settlement as depicted below in table 10.

TYPE	Characteristics	AREAS
FIRST ORDER	<ul style="list-style-type: none"><li>• Provincial growth point</li><li>• Centre of the tourism industry in the municipality</li><li>• Well developed with existing infrastructure</li><li>• Potential for further growth</li></ul>	HOEDSPRUIT
SECOND ORDER	<ul style="list-style-type: none"><li>• Municipal growth point</li><li>• Strategically located (surrounded by many villages)</li><li>• Existing infrastructure</li><li>• Potential for further development</li></ul>	METZ CENTRAL

THIRD ORDER	<ul style="list-style-type: none"> <li>• Population concentration areas</li> <li>• - The Oaks-Metz-Trichardsdal development corridor – establishment of a municipal development corridor linking the rural villages</li> <li>• Limited mining in Mica</li> </ul>	THE OAKS KAMPERSRUS MICA BLYDE
FOURTH ORDER	<ul style="list-style-type: none"> <li>• Little economic activities</li> <li>• Huge infrastructure backlog</li> <li>• But situated along the foothills of Drakensberg Environmental area which has potential for economic growth</li> </ul>	ALL OTHER VILLAGES

# **MARULENG LOCAL MUNICIPALITY** **ORIENTATION AND INFRASTRUCTURE**

**PLAN 1**



### 5.8.11 Strategically located land

- Private owned- land in Hoedspruit - Intensification and expansion of the provincial growth node which includes the provision of land for affordable housing for people employed at Hoedspruit, but who currently cannot find suitable residential accommodation in the town.
- Communal land- The Oaks-Metz-Trichardsdal development corridor – establishment of a municipal development corridor linking the rural villages
- Communal land- Metz Central- development of a municipal growth node
- Extensive land areas devoted to agriculture ,which include agricultural processing facilities, and, areas devoted to game reserves
- K2C Biosphere- establishment of the Drakensberg Environmental Zone

### 5.8.11 Land Use and Land Claims

Approximately 18.5% of the total land area is subject to 5 registered land claims. Considerable land area held in ownership by the state under custodianship of traditional Authorities which accommodates some 90% of the residents of the municipal area. Large areas of land in private ownership are utilized mainly for Conservation/Tourism/game farming and commercial hunting. The situation exerts considerable existing and potential influence on future land use and management. Land restitution and redistribution processes may results in many people access to land, resulting in improved living standards and quality of life. However it could result in large-scale sterilization of economically productive land and consequential loss of job opportunities, if not well planned and managed within the context of a spatial development framework. About five land claims were settled. One of which is Moletele CPA which entered in to a Private-Public-Partnership. This PPP is working so well and the municipality will use this PPP as a bench mark of further land settlements. The tables below give the status of land claims and claims settled respectively:

Table 11: status of land claims

Total number lodged	21
Total after consolidation	20
Total settled	5
Hectares restored	16 702.2483
Households benefited	2820



Beneficiaries	19492
Money spent	R 276 300 478.00
Claims outstanding	16

Table 12: claims settled

REF/KPA NO.	CLAIMANT
4028	Moletete Community
2098	Sekororo
5346	Mpuru Letebele
836	Mokgwanatjane N.M (consolidated to Sekororo claim)
1453	Baropodi Ba Moraba

### 5.8.13 Illegal land occupation

The table below depicts illegal land occupation:

Property Description	Land Ownership	Comment(s)
Erf 205	Transnet	About 20 people sharing a shack
Buffel Street next to market	Municipality	Shacks occupied by foreign nationals and some South Africans
Portion 4 of Erf 52 Hoedspruit	Transnet	Unkempt toilet facilities-health hazard
Portion 26 Berlin 209 KT	Transnet	Abandoned Spoornet steel structure currently illegal occupied and 2 shacks
Portion 1 of Berlin 209 KT	Private –Julius Fischardt Trust	Illegal dumping and driving school practice
Erf 206 Hoedspruit	Transnet	Car wash
Portion 9 Berlin 209 KT	Transnet	30 hacks and shebeens

The illegal land occupation will be dealt through enforcement of Land Use Management Scheme and enforcement of by-laws.

## **5.9 Environmental Analysis**

### **BACKGROUND**

The Maruleng Municipal Area is faced with environmental risks and trends that lead to environmental degradation. In order to ensure that developments carried out by the municipality are sustainable, the IDP takes in consideration environmental and socio-economic issues in decision making, project planning and implementation. A summary of an environmental analysis is here outlined and it will provide the basis for identification of priority environmental challenges facing the municipality.

#### **5.9.1. Climate**

Most of the rain in the municipal area is received during summer (75%). The temperature ranges from a high average of 21 degrees Celsius to a very high average of 25 degrees Celsius.

#### **5.9.2 Global Warming**

Global warming is defined as the increase in the average temperature on earth. As the earth gets hotter, disasters like hurricanes, floods, droughts and raging forest fires do get more frequent. The municipality experienced heavy flooding during 2011/12 financial year. Global warming is caused by climate change that results in rise of temperatures.

#### **5.9.3 Air Pollution.**

Pollution of the air is a major environmental problem. Vehicles, mines and industries pollute the air by releasing harmful gases. Another source of air pollution is leakage of sewage and companies burning their waste, causing bad odour.

#### **5.9.4. Water pollution.**

Water pollution in the municipal area affects most people as many of them stay in rural areas and depend on river water. The major cause of water pollution is the sewage leakage and release of industrial waste into streams as well as illegal solid waste dumping along the river system. People washing their clothes in rivers using detergents also cause water pollution as well as usage of herbicides and pesticides by farmers. The lack of water-borne sewerage systems leads to the contamination of ground water. The municipality has lost five lives due to cholera as a result of contaminated water.

#### **5.9.5 Deforestation.**

Deforestation is one of the identified major environmental problems affecting most areas in the municipality. This is a problem affecting almost every forest or veld in the municipality. This problem is caused by the wood carvers, fire wood collectors, farmers and villagers residing around deforested areas. This can be attributed to poverty, lack of knowledge, unemployment, unclear land policy, traditional practices and economic gains.

#### **5.9.6. Veld fires**

The municipal area often experience uncontrolled veld fires. These fires have a negative environmental and economic impact. The veld fires are also a threat to human and animal life. The major cause of this problem is poaching, fire wood collector, uncontrolled burning for green bite, lack of knowledge about veld fire destruction, lightning and negligence.

#### **5.9.7. Soil erosion**

Soil erosion has a negative effect on the environment as it affects the larger part of the municipal area. This affects people residing in eroded areas, by worsening floods and decreasing agricultural production. The major causes of this condition are deforestation, overgrazing and poor land use management.

#### **5.9.8 Chemical spills and hazardous accidents**

There are numerous areas in the municipality that are subject to chemical spills and hazardous accidents that have a detrimental impact on the lives of people. This occurs mainly in the railway lines and along major routes, polluting the air and ground.

#### **5.9.9 Overgrazing**

Overgrazing on agricultural land around villagers in the municipality is a common phenomenon. The major cause of this condition is overstocking by farmers as well as drought and floods.

#### **5.9.10 Heritage Sites**

There are number of heritage sites in the municipality such as Lekgalametse which is government owned and privately owned Klaseri, Thornybush and Timbavati. There is also natural heritage in the Westfalia Estates.

#### **5.9.11 Natural Water Bodies/Wetlands**

A wetland was identified in Makgaung area and if properly-managed, could be of economic importance to the local community

## 5.10. BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT

### Background

The success of local economic development is tied to the provision of basic and other types of infrastructure to the people. All services under analysis in this section are located in a specific locality (as per SDF) and have potential to boast socio-economic development. Infrastructure analysis focuses on the status quo regarding water supply, sanitation facilities, energy and housing provision, roads and public transport, waste management and telecommunications – all of which underpins socio-economic development and determines people's quality of life. The provision of adequate municipal infrastructure remains a challenge throughout the municipality.

#### 5.10.1. Water

The Maruleng municipality is characterized by low rainfall. This results in limited water resources culminating in severe water shortages and drought condition. There is stiff competition amongst different water users. Water for domestic purpose becomes crucial.

However, great strides have been made in providing water in the municipality. About 16 662 households which amount to 68% of the population have access to water in terms of RDP standard. However, it must be noted that only 6.8% of the population have access to portable water.

Table 10: depicts access of water in terms of distance

TYPE	NUMBER OF HOUSEHOLDS
Piped (tap) water inside dwelling	2 669
Piped (tap) water inside yard	9006
Piped (tap) water on communal stand: distance less than 200m from dwelling	4 987
Piped (tap) water on communal stand: distance between 200m and 500m from dwelling	2 088
Piped (tap) water on communal stand :between 500m and 1000m (1km) from dwelling	1 067
Piped (tap) water on communal stand: distance greater than 1km from dwelling	285
No access to piped (tap) water	4368

(Source: census 2011)

#### 5.10.1.1. Water Sources

The Mametja-Sekororo Regional Water Scheme that will supply the entire municipality will rely on the Blyde River which as enough water as water source. Most of our villages rely on poorly surveyed ground water. Most of the boreholes are often not well maintained. Villages that are under the mountains rely on water from the mountains. Other villages rely on the water supply by the municipality through water tankers.

SOURCE	NUMBER OF HOUSEHOLDS
Regional/local water scheme (operated by the municipality or other water service provider)	8209
Borehole	4 427
Spring	223
Rain water tank	211
Dam/pool/stagnant water	2 777
River/stream	6 924
Water vendor	881

(Source: census 2011)



Motlatse River (Blyde)

#### 5.10.1.2. Free Basic Water

The municipality gives 6KL of free basic water to all household with piped water.

#### 5.10.1.3 Water Challenges

- The main challenge is bulk water supply but Mopani District Municipality which is the WSA is currently constructing water purification plant in The Oaks which will cater almost all villages and major developments
- Ageing infrastructure (Hoedspruit)

#### 5.10.2 Sanitation

The municipality through Mopani District Municipality has made a major stride regarding provision of sanitation. About 22 983 households which account to 93.9 of the population have access to basic sanitation. The backlog is about 1 487 households.

Table 11: depicts percentage distribution of households by type of toilet facility as of 2011.

Type of toilet facility	Census 2001	Census 2011
Flush toilet(sewerage system)	8.8	2001
Flush toilet (septic tank)	2.9	1088
Chemical toilet	1.1	102
Pit latrine with ventilation	8.3	7 335
Pit latrine without ventilation	40.8	12 240
None	38,2	1 487
Total	100	100

Census 2011

#### 10.3. Energy and Electricity.

Energy distribution has important economic developmental implications with a potential to make considerable impact. This impact relates to improved living conditions, increased productivity and greater sustainability of the environment. In the municipality electricity is largely generated by Eskom. The provision of electricity to house has been achieved to the larger extent. About 23 471 households have access to electricity which amount to 95.9% of the population. All villages are electrified except post connections and new extensions. The backlog is about 999 households. However, ESKOM is currently completing 511 units and the municipality is electrifying 400 units through INEP grant.

Table 12: depicts: Electricity Usage

Usage	No. Households
Cooking	7 299
Heating	6 431
Lighting	22 166

(Census 2011)

In the mean electricity is used for lighting. About 16 575 (67.7%) households use wood for cooking. The usage of wood as a source of energy is a worrying factor as it is harmful to the environment. The Municipality and the Department of Environmental Affairs need to conduct educational awareness campaigns against this practice.

#### 5.10.3.1 Free Basic Electricity

The municipality has budget R 630, 000for the provision of FBE to its 3700 indigent households. Only 1739 indigent households have access to free basic electricity due to the snail-pace of ESKOM in configuration of the register. However, the municipality is currently the indigent register

#### 5.10.3.2 Indigent Register

The municipality has an adopted indigent policy and register. This register facilitates the provision of free basic services. The municipality has budgeted R630, 000 for free basic services for the year 2013/14. The updated indigent register has about 3700 households as beneficiaries.



#### 5.10.4. Waste Management

##### 5.10.4.1. Refuse removal.

The municipality provides waste collection services in three urbanized areas: Hoedspruit, Kampersrus for a total of 1666 households and it accounts to about 6.8% of households. In both commercial and residential areas collection takes place once a week. No refuse removal is provided to the 33 villages. These households rely mostly on backyard dumping and burning. Maruleng has outsourced collection and transportation. The municipality is planning to roll-out waste collections to all villages.

##### 5.10.4.2 Waste disposal.

The municipality has one licensed land fill in Worcester area.

Table 15: depicts percentage distribution of households by type of refuse disposal

Type of refuse removal	Census 2001	Census 2011
Removed by local municipality/private company at least once a week	-	1 434
Removed by local municipality/private company less often	-	232
Communal refuse dump	275	250
Own refuse dump	14 692	19 410
No rubbish disposal	3 678	2 828
Other	-	315
Total	19 668	24 470

Census 2011

### 5.10.5. Transport Infrastructure

#### 5.10.5.1 Road Network

Transportation and transportation infrastructure make a major contribution to the facilitation of economic activity. A major stride has being made in improving the condition of the roads in the municipality. The municipality has a total of 563.2km road network.321.79km road tarred which constituents 51.13% of the total road network. But maintenance remains a major challenge. The following strategic roads are tarred:

- The R527, from Strijdom tunnel to Hoedspruit
- The R40, linking Hoedspruit with Mica and Tzaneen to the North-West
- Southwards from Hoedspruit, the R40 leads to Klaserie and onwards to Nelspruit
- The R531, which runs along the Drakensberg foothills, linking the R527 with Kampersrus and Klaserie
- North of Mica the R530 links Hoedspruit with the town of Phalaborwa
- The link road between Mica and R36, running south-westward from Mica
- The R36, which leads northwards from the R527 towards Tzaneen and it is currently being rehabilitated

#### ❖ Development Corridor

The strategic road is The Oaks- Trichardsdal road linking the rural villages with Tzaneen and Hoedspruit. This road leads from R36 in the south, in a northern-westerly direction linking Trichardsdal, Sekororo, and The Oaks to Ofcaloco in the north. This road has greatly improved movement between the villages, as well as providing access to the main road network and Hoedspruit (economic hub).

Issues associated with the road network include the following:

- Local farmers regard the poor condition of roads as key inhibitor to increased exports
- The majority of people use mini-bus taxis and the subsidized bus provided by Great North Transport

Table 16: depicts the status of different roads

<b>Provincial Tar Roads – Maruleng</b>		<b>(Number of kilometres)</b>
P181/1	Ofcoloca-The Oaks	22.5
P146/1	Snake Park-Klaseria	12.5
P116/1	Hoedspruit- Manoutsa	32.2
P194/1	Klaseria-Orpen	13.8
P181	D21-Mica	12.2
<b>Total</b>		<b>93.2</b>

<b>District Tar Roads – Maruleng</b>		
D5016	P17/4&P116/1- D5012	0.69
D5012	D5016- Hoedspruit- Air Force Base	5.14
D2119	PP194/1D1909	28
D263	P181/1-D202	11
D1909	P17/1 -Motswai	12.87
D3910	D21-P181/1	4.35
D202	D263-P181/1	22
D2009	D21-Calais	12.3
D3914	The Oaks -Trichardsdal	65
D3914	D21-Sedawa	3.9
<b>Total</b>		<b>52.05</b>
<b>District Gravel Roads – Maruleng (Number of kilometres)</b>		
D2009	D21- Calais	9.3
D 3873	Sekororo-Balloon	9.4
D3887	The Oaks- Finale	10
D 3900	P181/1- Metz	11.6
D 3904	D 3900-Banareng	14
D3905	D3900- Ga-Rakoma	1
D3908	D21- Enable	8.7
D3902	Sekororo-Madeira	4
D3910	P181/1- Butswana	10.3
D3911	D21-Molalane	5.4
D3912	D21-Bochabelo	10.7
D3913	D21- Willows	5.2
D3914	D21- Sedawa	2.5
D1583	The Downs-Lekgalametse	10.7

D2124	D21-P142/1	6.2
D1828	P181/1-D202	12.3
D263	P181/1-D202	8.3
D202	P181/1-Gravelotte	40
D240	P116/1-Essex	8.5
D70	Klaseria-Saligue	9.2
D1909	P17/4-Motswari	11
D2119	P194/1-D1909	29.8
D1771	P194/1-Avoca	15
D1662	P17/4-Cheetah-Inn	4
D2446	D1662- Klaseria Dam	1.7
D2259	D1909-Control Gate	4
<b>Total</b>		<b>250.4</b>

#### 5.10.5.2 Prioritized Roads

The municipality has prioritized the following roads which fall under its competency for the next financial years (2014/15 onwards):

- Sofaya access road
- The Oaks- Final access road, and
- Sedawa access road

## **5.11. Public Transport**

### **5.11.1. Taxi Facilities**

Within the municipality, there are four major taxi facilities:

#### **1. Metz taxi rank**

The rank is formal and is situated at Metz village. It has the following facilities: shelter, loading bays, ablution block which needs water, no seating facilities, paved and has dustbins. Telephone facilities are at the nearby shop. The rank covers the following main destinations: Tzaneen, Phalaborwa and Johannesburg.

#### **2. The Oaks taxi rank**

The rank is situated at The Oaks. It has the following facilities: paved surface, shelter, information boards, ablution block, telephone facilities, no dust bins and seating facilities. The rank covers the following destinations: Tzaneen, Phalaborwa, Hoedspruit and Johannesburg.

#### **3. Masokisi**

This is a formal rank situated at Ga-Sekororo. It has the following facilities: information boards, shelter, loading bays, lights, ablution block which needs proper maintenance, no seating facilities, paved and has dustbins. The rank covers the following destinations: Tzaneen, Phalaborwa, Hoedspruit and Johannesburg.

#### **4. Hoedspruit taxi rank (informal)**

Hoedspruit has two informal minibus taxi ranks without any shelter. The routes are Phalaborwa, The Oaks and Acornhoek.

### **5.11.2. Air Links**

A regional airport, East Gate Airport, is located outside Hoedspruit. This civilian airport is situated at the southern end of the Air Force Base Hoedspruit, with which it shares airport infrastructure. The airport serves mainly international tourist market, with connecting flights from and to O.R. Tambo International Airport and some airstrips.

### **5.11.2 Railway links**

Hoedspruit is linked by rail with Nelspruit in the south, Tzaneen in the north-west and Phalaborwa in the north-east. The main function of the rail network is transportation of goods. This mode of transport if upgraded could relieve the overburden road usage.

### **5.11.3. Public Transport Challenges**

- ❖ In-fighting amongst taxi associations for routes
- ❖ No integrated transport system

#### 5.11.4 Backlog on Storm Water

The municipality has a backlog of about 10 roads that need storm water drainage. In the current financial only the following roads will be addressed regarding storm water drainage:

- ❖ Ga-Fanie-Turkey road (fully)
- ❖ Metz-Bismarck road (fully)
- ❖ Mahlomeling road (fully)
- ❖ Madeira internal road (fully)
- ❖ Rakgolokoane- Enable road (fully)

#### 5.11.5 Free Basic Services

SERVICE	NO. INDIGENT HOUSEHOLDS	ACCESS	BACKLOG
Water	3700	2 405	1 295
Sanitation	3700	3 213	1 487
Electricity	3700	1 739	1 961
Refuse Removal	3700	0	3 700

#### 5.11.6 Comparative analysis of Basic Services

SERVICE	NO. HOUSEHOLDS	ACCESS	BACKLOG
Water	24 470	16 662	7 808
Sanitation	24 470	22 983	1 487
Electricity	24 470	23 471	999
<b>Refuse Removal</b>	<b>24 470</b>	<b>1 666</b>	<b>22 804</b>
Housing	24 470	23 416	1 054
Roads	563.2km	321.79km	241.41km

## **5.12. Economic Analysis (LED)**

### **Background**

To undertake a proper analysis of the political economy of the district, it becomes important to consider the background of the South African economy in general. Thus, the district economy needs to be viewed as an integral part of the provincial economy that is linked to the national economy. The national economy is part of the Southern African regional economy within the world economy. Thus, Maruleng municipality as part of Mopani is a constituent to the global economy positioned to take advantage of its comparative strengths in its relation to the other regions of the world.

#### **5.12.1. A Broad Economic Overview of South Africa**

South Africa is a middle-income developing country with an abundant supply of natural resources, well-developed financial, legal, communication, energy and transport sectors, a modern infrastructure, and a stock exchange which rank among the 10 largest in the world. Its economic policy over the past nine years has been shaped by the government's development strategy in areas of education, health, social development, security, land reform and poverty alleviation. The government's policy decisions have been designed to promote sustainable economic growth, and to ensure that the benefits of growth are shared across an increasingly greater spectrum of society.

The country's economic policy is based on the macro-economic policy called Growth, Employment and Redistribution (GEAR). It aims to find a balance between promoting economic growth on one hand, and social service delivery and job creation on the other. Gear combines the goals of deficit reduction, reprioritization of government expenditure to enhance poverty reduction, and embarking on macro-economic reforms to promote job creation. The social transition that has accompanied the demise of apartheid has seen a vast increase in economic participation. Factors underlying this have included an increase on female participation in the economy, as well as migration to urban areas by the rural poor. South Africa also has a dual agricultural economy: a well-developed commercial sector and a predominantly subsistence oriented sector in the traditionally settled rural areas, of which Mopani district is constituted. This is probably one of the glaring factors that provides for the South African economy as consisting of the First and the Second Economy. The first and second Economy in our country is separated from each other by a structural fault.

The second economy emerged during the long period of colonialism and apartheid as a result of the deliberate imposition of social, political and economic exclusion of the African majority by a racist state.

Whilst exacerbated by the imperatives of globalization, the restructuring of the economy also reflect, to some degree the response of capital to the extension of citizenship and economic rights to the previously disenfranchised. This restructuring has segmented the labour market into three overlapping zones, namely core workforce, non-core workforce and the peripheral workforce.

The core workforce consist of workers that benefit directly from global integration, advances in worker rights and other forms of inclusion in social, economic and political institutions. Formal sector workers are generally highly organized in the trade union movement, although new jobs created in the formal sector tend to be associated with lower levels of worker organization. Though the size of the formal sector workforce has diminished, it still constitutes more than half of the economically active population.

While they enjoy higher salaries, secure employment and good working conditions, growing numbers of people depend on their wages. Men rather than women are more easily absorbed into this core of labour market.

The restructuring of the workforce is increasing the levels of a typical employment. This includes actualization, fixed term contracts and working from home.

Those pushed into these more precarious and intensive working conditions become part of non-core workforce. Because of the temporary nature of their work, union organization is much harder amongst the non-core workforce. The rights won by workers in the core of the economy are difficult to realize in an environment of poorly organized temporary workers, where women are more likely to find work.

The peripheral zone consists of those who have been excluded from the formal economy and engage in informal income generating activities on the margins, or depend on the support of friends and family and/or social grants.

This includes the street traders and hawkers who sell basic commodities to the poor, memorabilia to the tourists and food to urban workers. While some of those operating in the urban economy are able to secure relatively stable niches in markets created by formal sector economic activity, others find themselves excluded from such markets altogether and eke out a survival through dependence on welfare grants and the barter of goods and services.



### **5.12.2. Locating the Mopani District and Maruleng Economy within the Provincial Economy**

The provincial economic development study of 2000, identified tourism, agriculture, mining and trade and manufacturing as sectors with a potential for growth in the Mopani district. The Mopani District also has a large number and of diverse under exploited tourism assets e.g. the northern portion of the Kruger National Park. A national park, nature reserves and game farms cover almost half of the district, identified as one of the five best conserved ecosystems in the world, providing ample opportunity for Eco Tourism and SMME development. The district also has comparative advantages in agriculture, manufacturing and trade. Hereunder is an analysis of the district economy.

A superficial glance at the available statistics suggests that Mopani District has one of Limpopo's more developed economies. 2006 per capita GDP (R24,056) was above the provincial average (R21,787) and the 2006 Mopani GDP (R27.3 billion) placed the district third behind Waterberg and Capricorn by way of economic contribution to the province. The Mopani economy grew by 4%, above the provincial and national average, between 1996 and 2006.

The Maruleng economy in the Mopani District of Limpopo Province is significant but small (R1.9 billion in 2006), influenced by the global and national economies, and structurally dependent on the economies of the Limpopo and Mpumalanga Provinces.

Maruleng, despite a reasonable GDP, is one of poorer nodes, over 80% of households live below the households subsistence level, only 28% of the adult population is employed, and a significant number of households are dependent on pension/grants as their primary source of income. Growth in the Maruleng economy between 1996 and 2006 was volatile but average 3.1%, which is below the national (3.5%) and provincial (3.9%) average.

Maruleng essentially comprises four divergent sub-economies:

- The Public sector which is the largest contributor to GDP
- Agriculture comprising mainly large-scale commercial farming which contributes 41% of all formal employment and small-scale or subsistence agriculture
- Retail and Service businesses (mainly in Hoedspruit)
- Transport and Communications which is the second biggest GDP contributor

### **5.12.3 Opportunities for economic growth and employment in Maruleng**

The Maruleng municipality has a large game farms from which the municipality can its tax base. It also boasts of the East-gate Airport through which it can promote its tourism status and ensure direct access to other provinces and countries for marketing. The area is also imbued with agro-products across the seasons from which jobs can be created to ensure poverty alleviation. Its strategic location in relation to the Maputo Corridor, positions it to can attract investment in its area. The following are the major economic pillars of the municipality:

- Agriculture, including Agro-processing which is already the largest source of formal employment
- Tourism, which is a key sector with significant opportunities for expansion and growth
- Retail and Service businesses.

#### **5.12.4 Comparative advantages**

The Maruleng municipality has comparative advantage in irrigated agriculture where water is available along the banks of the Blyde River. The striking natural landscapes and proximity to Kruger National Park and other iconic natural parks ensures a sophisticated and expanding tourism.

#### **5.12.5. Local skills base**

Skills training within MLM should be concentrated on the three priority sectors, namely agriculture, tourism and retail. There is generally shortage of technical skills on these sectors. The municipality relies on the Department of Agriculture on agricultural technical skills. On tourism, mostly private operators have skills and very few blacks appointed by these operators have skills. The municipality has developed a bursary scheme in order to develop local skill base on these economic sectors mainly to the previous historic disadvantaged people.

#### **5.12.6 Challenges in the Municipal Economy**

The majority of people in Maruleng are located far away from the economic hub of the municipality, namely, Hoedspruit. The town which is the economic node of the municipality is surrounded by privately-owned land which is not readily available for new development. There is general shortage of technical skills in the area and most of the rural communities of Maruleng get jobs in Tzaneen and Phalaborwa and thus promoting economic activities outside their municipality. One other issue is that many people working in Hoedspruit are from Bushbuckridge in Mpumalanga province and they spent their income outside Maruleng. 18, 5% of the municipal area is subject to 21 registered land claims. There is also a general infrastructure backlog which hampers potential new economic infrastructure development in the area.

#### **5.15.7 Strategically located land for economic development**

The two nodal points in the municipality are strategically located land in which the LED could thrive. The Hoedspruit nodal point which is largely private-owned does well in agriculture, tourism and retail, while Metz which is earmarked for the development of shopping complex will do well in terms of retail.

## **5.12.8. SECTOR ANALYSIS**

### **5.12.8.1 TOURISM SECTOR**

#### **5.12.8.1.1 Overview of the tourism sector**

Maruleng municipality is wedged between some of Limpopo prime tourist attractions, including the Kruger National Park, Timbavati Private Reserve and Blyde River Canyon. Significant tourism related activities exist as well as numerous private lodges and guesthouses. An existing airport will play a significant role to increase tourist traffic and establish the area as a gateway to the Kruger and surrounding areas.

#### **5.12.8.1.2 Tourist attractions and facilities in Maruleng**

There are an estimated 2814 beds in 70 lodges 10 guesthouses and 10 resorts in the municipality. Estimated 70 to 80% of Lowveld luxury lodges. R527 route gives access to Khamai Reptile Park, Bombyx Mori Silk farm and Moholoholo Animal Rehabilitation centre. Maruleng municipality boasts Major Private Game Reserves and 5-star luxury lodges, namely;

- Thornbush and Kapama
- Timbavati (home of the white lions)
- Klaserie
- Babule and Oliphants

It also houses Hoedspruit endangered species centre which is the world famous Cheetah breeding. The area falls within Limpopo Tourism “Valley of Oliphant’s” tourism route. Blyde river canon offers Bird watching (globally recognized and important bird area), Adventure tourism including hiking, white water

Rafting, abseiling, hot air ballooning. The municipality serves as the centre of the Kruger 2 canyon Biosphere and has Drakensberg Mountain Range which has rock climbing, hiking and Mariepskop (scenic Mountain View)

### **5.12.9. AGRICULTURAL SECTOR**

Agriculture currently is, and is likely to remain a key economic sector and employment generator in Maruleng. Maruleng dominant economic activity is commercial agriculture. The region is the leading producer and exporters of mango and one of the largest producers of citrus. Other crops such as vegetables are increasingly becoming important. Citrus and mango require significant production levels in order to be profitable and there are concerns that these are not viable options for small emerging farmers unless structured through co-operatives. Potential exists to introduce sugar cane would provide alternatives for smaller emerging farmers.

#### **5.12.9.1. Types of products**

The types of products grown in the area vary between subsistence and commercial farming, with the latter relying on irrigation to produce variety of crops namely:

- Field crops such as maize
- Produce crops such as citrus, mango, vegetables, tomatoes, avocados and onions.
- There are other agricultural activities such as live stock which focuses on cattle, goats and poultry, and game farms and marula.

However the following critical areas must be addressed if the agriculture is to remain competitive;

- The speedy and effective resolution of land claims and the introduction of Private sector partnerships to ensure skills transfer and ongoing commercial viability of farms.
- Significant investment in transportation infrastructure, notably
  - Roads and rails as well as the exploring of options to establish and
  - Airfreight hub in Hoedspruit.
- The more effective branding and marketing of Maruleng produce and
- Securing of contracts with local and domestic customers such as large food Retail chains.
- The development and expansion of agro-processing activities such as juice processing, fruit drying etc.

#### **5.12.10. Retail sector**

##### **5.12.10.1 Formal trading activities**

The retail sector accounts for some 8%, and finance and business 12.5% of formal business activities in the municipality-much of this concentrated in Hoedspruit. There are a number of small shopping centres in Hoedspruit e.g. The Spar centre, Kamogelo centre, Lebamba centre, Hoedspruit crossings and more recently the new shopping centre at a cost of R41m was completed which comprises retail stores, estate agents, restaurants, banks etc. Banks are well represented i.e. Standard bank, ABSA and FNB. Current retail and services activities primarily service the surrounding farms and the tourism establishment-especially lodges.

##### **5.12.11 Informal trading activities**

The informal sector plays a key role in supplying goods to the local communities. Main activities are located around taxi ranks, along key roads segments and throughout the rural settlements.

### 5.12.12 Expanded Public Works Programme and LED job created

The municipality has implemented about six capital projects which were all falling under EPWP. These projects as yielded the following outputs:

- About 2624 jobs were created and of which 2099 benefitted youth, 1055 benefitted women and 04 benefitted people with disabilities. Furthermore, skills were transferred during this programme.
- Most women, youth and people with disability benefitted from the programme.
- About 64 jobs were created through LED initiatives of which 24 were permanent employment.

### 5.15.13 Contribution to employment

Table 30 below depicts labour force by type of sector

FORMAL SECTOR	INFORMAL SECTOR	PRIVATE HOUSEHOLDS	DO NOT KNOW
7 899	3 531	1 886	431

Source: Stats SA Census 2011

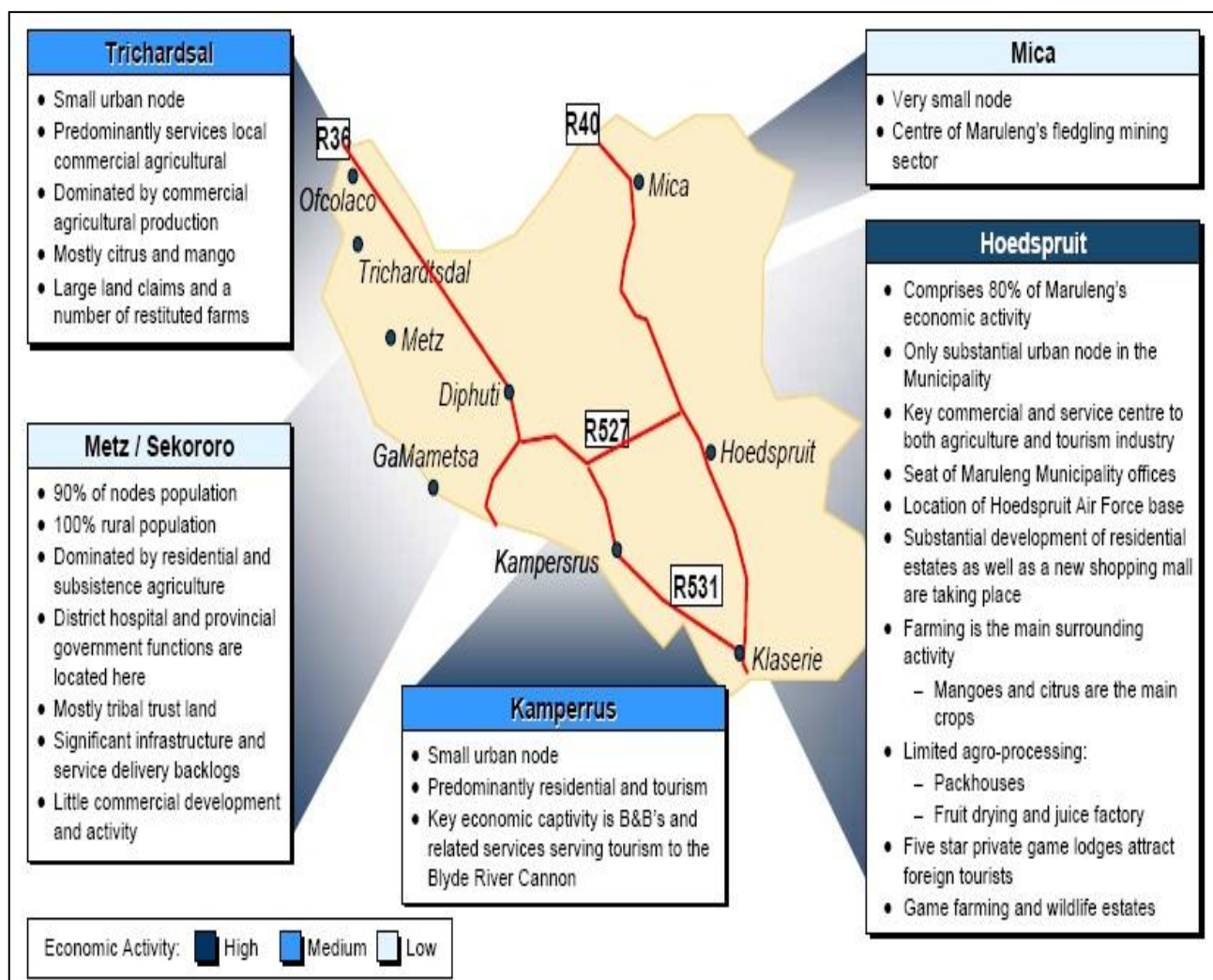
### 5.12.14 Gross Value Adding by Economic Sector

	Mopani	Greater Giyani	Greater Tzaneen	Greater Letaba	Ba-Phalaborwa	Maruleng
Community Services	22.6	37.8	32.7	33.4	8.3	38.8
Agriculture	3.2	1.1	7.0	8.7	1.0	6.4
Mining	30.1	0.1	6.8	7.6	59.1	0.7
Trades	14.6	10.3	9.0	9.7	20.8	7.8
Finance	14.6	29.8	24.0	20.3	3.8	15.9
Manufacturing	1.9	3.4	3.6	2.2	3.6	2.6
Construction	2.0	3.6	2.2	2.0	2.2	4.2
Transport	8.2	9.6	10.1	9.0	4.6	21.7
Electricity	2.8	4.2	4.6	7.0	0.9	2.0

(Global Insight Sep. 2011)

### 5.12.15 Community Works Programme

Community Works Programme is a programme initiated by COGHSA in a drive to create jobs for the unemployed in line with the government priority of job creation. About 1324 jobs were created thus far.



## **5.13. FINANCIAL VIABILITY.**

### **BACKGROUND**

The purpose of analyzing the financial status of the municipality is to determine the financial soundness of the institution so that the municipality can improve its financial management capacity and revenues.

Financial viability is about being able to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth while maintaining service levels.

#### **5.13.1. FINANCIAL MANAGEMENT POLICIES**

The financial management system comprises of policies, procedures, personnel and equipment.

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

**The following financial management policies and procedures were developed and reviewed**

##### **5.13.1.1 Review of credit control and debt collection procedures/policies**

- The Credit Control and Debt Collection Policy was reviewed, the policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the revisions included the lowering of the credit periods for the down payment of debt. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.
- The 2012/13 MTREF has been prepared on the basis of achieving an average debtors' collection rate on current billings. In addition the collection of debt in excess of 90 days has been prioritized as a relevant strategy in increasing the Municipality's cash levels.

##### **5. 13.1.2 Inventory and Asset Management Policy**

- A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the Municipality's revenue base.

#### **5.13.1.3 Supply Chain Management Policy**

- The Supply Chain Management Policy was reviewed and a change to the PPPF Act was taken into account.

#### **5.13.1.4 Banking and Investment Policy**

- The Municipality's banking and Investment Policy was reviewed. The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The Policy details the minimum cash and a cash equivalent required at any point in time and introduces time frames to achieve certain benchmarks.

#### **5.13.1.5 Tariff Policies**

- The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies envisaged to be compiled for ease of administration and implementation of the next two years.

#### **5.13.1.6 Indigent Policies**

- In terms of the Municipality's Indigent policy, Households with a total monthly gross income of R1 500,00 or less qualifies to a subsidy on property rates and services charges for sewerage and refuse removal and will additionally receive 6 kl of water per month free of charge.

#### **5.13.1.7 Rates Policy**

- Maruleng council in adopting this rates policy has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, The Rates policy allows the municipality to exercise their power to impose rates within a statutory framework which enhance certainty, uniformity and simplicity across the nation, and which takes account of historical imbalances and the burden of rates on the poor.

#### **5.13.1.8 Write off Policy**

- The policy is in accordance with the Local Government Municipal Finance Management Act 2003, Local Government Municipal Systems Act 2000, as amended and other related legislation. The Policy ensures that before any debt is written off it must be proved that the debt has become irrecoverable.



### 5.13.1.9 Travel and Subsistence Policy

- The purpose of this policy is to reimburse the necessary extra costs of meals, accommodation and travel arising as results of official duties away from home.

### 5.13.20. FINANCIAL SOURCES OF THE MUNICIPALITY

#### Revenue classified by main revenue source

Description	2011/12	2012/13				2011/12	2012/13	
		Original Budget	Budget Year 2013/14	Budget Year+1 2014/15	Budget Year +2 2015/16		Original Budget	Budget Year 2013/14
Property rates	10 312 536	12,000,000	12,612,000	13,229,988	13,878,257	10 312 536	12,000,000	12,612,000
Service charges- water revenue	-	-	-	-	-	-	-	-
Service charges – sanitation revenue	-	-	-	-	-	-	-	-
Service charges- refuse revenue	2 084 724	2,208,000	2,320,608	2,434,317	2,553,599	2 084 724	2,208,000	2,320,608
Rental of facilities and equipments	323 974	296,600	311,726	327,001	343,024	323 974	296,600	311,726
Interest earned- external investments	713 880	800,000	840,000	881,999	925,217	713 880	800,000	840,000
Interest earned- outstanding debtors	92 388	107,400	112,887	118,408	124,210	92 388	107,400	112,887
Fines	131 676	200,000	210,200	220,449	231,304	131 676	200,000	210,200
Licenses and permits	6 729 272	9,000,000	9,459,000	9,922,491	10,408	6 729 272	9,000,000	9,459,000
Transfer recognized – operational	54 814 074	95 157 756	105,207,000	99,082,000		54 814 074	95 157 756	105,207,000
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>91 440 663</b>					<b>91 440 663</b>		

In the 2011/12 financial year, revenue from rates and services charges totaled R10.3 million or 11 per cent as calculated to the total revenue. This increases to R12 million, R14 million and R16 million in the respective financial years of the MTREF. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality

Apart from Transfers recognized – operational which is about 57.8 percentage of the total revenue mix, other revenue is the largest own revenue source in 2012/13 financial period. The second largest own sources is, property rates which consists of various items such as town planning fees, building plan fees, clearance certificates, rental sign boards, tender documents and sales of Transnet houses ,etc. Municipality has been urged to review the tariffs of these items on an annual basis to ensure they are cost effective and market related.

### Operating Transfers and Grant Receipts

DESCRIPTION	2012/13		MEDIUM TERM EXPENDITURE FRAMEWORK		
	Actual	Original Budget 2012/13	Budget Year 2013/14	Budget Year + 1 2014/15	Budget Year +2 2015/16
Equitable Shares	47 176 000	53,513,000	60,742,000	71,900,000	92,865,000
Finance Management	1 819 600	1,606,432	1,620,000	1,800,000	1,950,000
Municipal Systems Improvement	1 204 474	1,071,438	890,000	934,000	967,000
Integrated National Electrification	-	5,000,000	-	-	-
EPWP Incentive	614 000	1,689,000	1,000,000	-	-
Mopani District Municipality	4, 000,000	103,895	-	-	-
National Disaster Emergency Fund	-	2,000,000	3,000,000	-	-
Municipal Infrastructure Grant (MIG)	29 279 734	30, 174,000	28,647,000	25,322,000	26,578,000
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>84 093 808</b>	<b>95,157,756</b>	<b>95,899,000</b>	<b>99,956,000</b>	<b>122,360,000</b>

Operating grants and transfers totals R54.8 million in the 2011/12 financial year and steadily increases to R65.4 million by 2014/15. Note that the year-on-year growth for operating grants for 2012/13 financial year is 67 per cent when compared to total grants and increase to 68.9 and 66 percent for the two outer years.

### 5.13.3 BUDGET AND TREASURY MANAGEMENT

- Currently the budget preparation process of the municipality is linked to the IDP Process and Performance Management System. Treasury management entails the management of cash flows, bank accounts and investments. Monthly and quarterly reconciliations and reporting are done by the municipality to comply with the MFMA, for example SDBIP and Treasury regulations.

#### 5.13.3.1. Previous and current Budgets

2009/10	2010/11	2011/12	2012/13	2013/14
81 529 130.00	94 897 368.08	109 292 694.00	135,492,612	136,071,770

#### 5.13.4 Submission of financial statements to the Office of A-G

The municipality also adheres to the stipulated timeframes with regard to submission of financial statements to A-G in terms of Section 71 of MFMA and addresses audit queries raised timeously.

#### 5.13.5 Addressing comments from the Auditor General's report

The municipality has developed an annual action plan which responds to the A-G's comments. The plan has clear targets with timeframes. This plan will also assist the municipality to improve the management of the municipal business. The matter of emphasis that led the municipality to regress in audit opinion are mainly asset register related issues.

### **5.13.5. REVENUE MANAGEMENT**

The municipality has the following revenue management systems or tools:

#### **5.13.5.1. BILLING SYSTEM**

- The municipality has an effective billing system. This system enables the municipality to generate its income. This income amounts to 36% of the revenue budget.

#### **5.13.5.2 REVENUE ENHANCEMENT STRATEGY**

- The municipality has a revenue enhancement strategy to address revenue collection with regards to rates and services. This strategy enables the municipality to collect own revenue

#### **5.13.5.3 EXPENDITURE MANAGEMENT**

- The municipality has formulated and implemented a Supply Chain Management Policy as a legislative requirement. Creditors are paid within 30 days from date of submission of invoices. The critical challenge is staffing to manage this policy.

#### **5.13.5.4. CASHFLOW MANAGEMENT**

- Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves financial knowledge of Councilors and management. Some specific features include:
  - Clear separation of receipts and payments within each cash flow category;
  - Clear separation of capital and operating receipts from government, which also enables cash from “Ratepayers and other to be provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue,

DESCRIPTION	2011/12	CURRENT FINANCIAL YEAR 2012/13		MEDIUM TERM EXPENDITURE FRAMEWORK		
		Original Budget 2012/13	Adjusted Budget 2012/13	Budget Year 2013/14	Budget Year + 1 2014/15	Budget Year +2 2015/16
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Receipts						
<b>Ratepayers and other</b>	12 811 729	25 022 053	30 436 903	39 910 032	24 589 059	26 306 906
Government- operating	41 599 260	52 966 000	52 994 474	56 813 000	60 377 000	65 412 000
Government- capital	14 98 753	25 470 461	29 279 734	28 174 000	29 830 000	31 670 000
Interest	569 233 306	306 000	806 268	857 400	902 842	947 081
Suppliers and employees	- 47 408 131	- 72 341 033	-70 422 737	-77 915 461	-79 139 963	- 83 068 964
Finance charges	536 520					
<b>NET CASH FROM (USED) OPERATING</b>	<b>23 094 364</b>	<b>31 423 480</b>	<b>43 074 642</b>	<b>47 838 972</b>	<b>36 558 939</b>	<b>41 267 024</b>

DESCRIPTION	2011/12	CURRENT FINANCIAL YEAR 2012/13		MEDIUM TERM EXPENDITURE FRAMEWORK		
		Actual	Original Budget 2012/13	Budget Year 2013/14	Budget Year + 1 2014/15	Budget Year +2 2015/16
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>						
Receipts						
Proceeds on disposal of PPE	4 180 000	-				
Decrease (increase) in non-current debtors		1 950 000	1 950 000	1 850 000	840 000	-249 000
Decrease (increase) in non-current receivables		1 890	1 890			
Decrease (increase) in non-current investment		-212 500	-212 500	1 532 270	1 000,000	1 500 000
<b>Payments</b>						
<b>Capital assets</b>	-15 167 039	- 33 451 661	-44 789 084	-44 665 915	-35 569 049	- 37 039 841
<b>NET CASH FROM (USED) INVESTING ACTIVITIES</b>	<b>-10 987 039</b>	<b>-31 712 271</b>	<b>-43 049 694</b>	<b>-41 283 645</b>	<b>-33 725 049</b>	<b>-35 788 841</b>

DESCRIPTION	2011/12	CURRENT FINANCIAL YEAR 2012/13		MEDIUM TERM EXPENDITURE FRAMEWORK		
		Actual	Original Budget 2012/13	Budget Year 2013/14	Budget Year + 1 2014/15	Budget Year +2 2015/16
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
Receipts						
<b>Borrowing long term/ refining</b>	16 092					
Payments						
<b>NET CASH FROM (USED) FINANCING ACTIVITIES</b>	<b>16 092</b>	-	-	-	-	-
<b>NET INCREASE/DECREASE IN CASH HELD</b>	<b>12 123 417</b>	<b>-288 790</b>	<b>24 948</b>	<b>24 948</b>	<b>6 555 327</b>	<b>6 555 327</b>
<b>Cash/cash equivalents at the year begin:</b>	<b>10 612 795</b>	<b>9 274 790</b>	<b>620 575</b>	<b>620 575</b>	<b>11 600 000</b>	<b>11 600 000</b>
<b>Cash/cash equivalents at the year end:</b>	<b>22 736 212</b>	<b>8 986 000</b>	<b>620 575</b>	<b>620 575</b>	<b>18 155 327</b>	<b>18 155 327</b>

- The above table shows that cash and cash equivalents of the Municipality decreased from 12.1 million to 288 thousand between 2011/12 financial year, moving to a positive cash balance of R6.5 million to R5.4 million for 2014/15 MTREF. With the 2011/12 adjustments budget various cost efficiencies and savings had to be realized to ensure the Municipality could meet its operational expenditure commitments.
- In addition the Municipality undertook an extensive debt collection process to boost cash levels. These initiatives and interventions have translated into a positive cash position for the Municipality. For the 2012/13 MTREF the budget has been prepared to ensure high levels of cash and cash equivalents over the medium-term with cash levels anticipated to exceed R18.1million by 2012/13 and steadily increasing to R26.4 million by 2014/15.



## **5.14. GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

### **Background**

One of the Objectives of Local Government captured in section 152 of the Constitution is to encourage the involvement of communities and community organizations in the matters of local government. The white paper on local government expects the municipalities to be working with citizens and groups within the community to find sustainable ways to meet their economic, social and material needs and improve the quality of their lives. Therefore the municipality is using a number of ways and systems to involve communities and improve governance.

#### **5.14.1 Relationship with traditional Leaders**

In general, the municipality has a good relationship with the traditional leaders. Traditional leaders participate in most municipal activities such as IDP Representative Forums, Public Participation meetings, Council sittings etc.

#### **5.14.2. Community Participation (Ward committees and CDW's)**

The municipality has functional ward committees in all its 14 wards and 09 CDW's which serve as conduits between the municipality and community regarding municipal business. They are attending all municipal activities as expected. About five Mayoral Public Participation Meetings (community meetings) were held where communities were given progress reports and continuous seeking mandate. Public participation on IDP/PMS/Budget was conducted from the 6<sup>th</sup>- 10<sup>th</sup> May 2013 where the public and stakeholders made inputs which informed the final IDP output.

#### **5.14.3. Municipal Public Accounts Committee**

The municipality has established a Municipal Public Accounts Committee in terms of Sections 33 and 79 of the Municipal Structures Act 1998. This committee plays an oversight role of the council. The committee consists of nine non-executive councillors.

#### **5.14.4. Inter-Governmental Relations**

Maruleng municipality is responsible for facilitating inter-governmental relations within its area of jurisdiction. The municipality is the convener of the manager's forum a "key forum for strategic alignment, coordination and integration" that serves as an intergovernmental structure where Sector Departmental managers in the municipality meet with their municipal counterparts. The relationship between the municipality and Sector departments has improved.

#### 5.14.5. Audit, Anti-Corruption and risk management challenges

##### 5.14.5.1. Internal Audits

Internal controls and compliance audits are conducted and reports are submitted to the management and acted upon. The municipality has just appointed the Internal Auditor who will add value to the financial management. There is also a District-Shared Audit Committee which renders services to its local municipalities.

#### AUDIT OPINIONS

2007/08	2008/09	2009/10	2010/11	2011/12
Disclaimer	Qualified	Unqualified	Unqualified	Qualified

The municipality received qualified opinion due to its asset register. The municipality has already appointed service provider to unbundle its asset. The municipality also developed action plan to address issues raised by the A-G. The action plan has already met about 40% of its targets.

##### 5.14.5.3.2. Anti-Corruption

Corruption is defined as “ any conduct or behavior in relation to persons entrusted with responsibilities in public office which violates their duties as public officials and which is aimed at obtaining undue gratification of any kind for themselves or for others.” Public Service Anti-Corruption Strategy.

The municipality has developed the anti-corruption strategy, whose objectives are:

- To prevent and combat fraud and corruption and to related corrupt activities
- To punish perpetrators of corruption and fraud
- To safeguard MLM properties, funds, business and interest

#### 5.14.5.3.3 Risk management

The municipality has identified the following as the major risks:

- Lack of access to land and increased land prices
- Theft and vandalism of projects
- Untraced rate payers
- Shortage of skilled personnel
- Health hazard
- Failure to attend IDP meetings by business sector

The municipality has developed risk policies which will outline how the municipality will deal with risks. The Risk Management Officer has been appointed.

#### **5.14.6. Public Participation Programme**

The municipality has developed an annual public participation programme. The programme targets all wards and specific villages. These meetings afford politicians opportunity to report back on progress made and direct contact with ordinary community members.

## **5.15. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

### **5.15.1. INSTITUTIONAL ANALYSIS**

#### **BACKGROUND**

The purpose of conducting an institutional analysis is to ensure that the municipal development strategies take existing institutional capacities into consideration and that institutional shortcomings are addressed. The Maruleng local municipality was established in 2000 in terms of the Municipal Structures Act, 1998(Act No.117 of 1998). The municipal offices are situated in Hoedspruit town, 65 Springbok street.

### **5.15.2 POWERS AND FUNCTIONS OF MARULENG LOCAL MUNICIPALITY**

The powers and functions of the Municipality in terms of section 155(6) (a) and (7) Act 108 of 1996 and as delegated by the MEC of Local Government and Housing are defined as follows:

- Building regulations
- Billboards and the display of advertisements in public places
- Local Tourism
- Cleansing
- Municipal Planning
- Storm water Management
- Municipal Parks and Recreation
- Municipal Roads
- Special Programmes
- Disaster Management
- Street Lighting
- Refuse Removal, Refuse Dumps and Solid Waste
- Traffic and parking

The division of powers and functions between the district municipalities and local municipalities were adjusted by the MEC for Local Government and Housing in terms of sections 16 and 85 of the Municipal Structures Act, 1998 and published in the Provincial Gazette No.878, dated 07 March 2003 which gave Local Municipalities the function of promoting local tourism. Fewer functions that are not critical in nature which the municipality is not currently performing due to lack of capacity, functions such as dog licensing etc.

### 5.15.3. INSTITUTIONAL STRUCTURE

The Maruleng Local Municipality has implemented an Executive and Ward Participatory System of local governance which ensures that governance is taken right down to community level and that all citizens within the municipality are represented in decision making. This increases residents' sense of belonging, accountability and empowerment and actively involves them in all issues dealt with by the municipality.

### 5.15.4 POLITICAL STRUCTURE

The Council consists of 27 councillors, of both elected (ward representatives) and proportional (14 Councillors). Each of the 14 ward councillors chairs a ward committee as part of the Ward Participatory System that brings participation down to community level. Ward councillors play a central role in the communication process between the communities they represent and the council, reporting back regularly through ward meetings and assisting the community in identifying needs and priority areas of development which feed into the municipality's planning processes. The new demarcation increases the wards from 12 to 14 and from 24 councilors to 27 respectively. The mayor heads the Executive Committee which comprises of five councillors. The municipality has three full-time councillors i.e. is the Mayor, Speaker and Chief Whip. Political oversight of the administration is ensured via Section 80 Committees in control of different portfolios' in Council, which comprise:

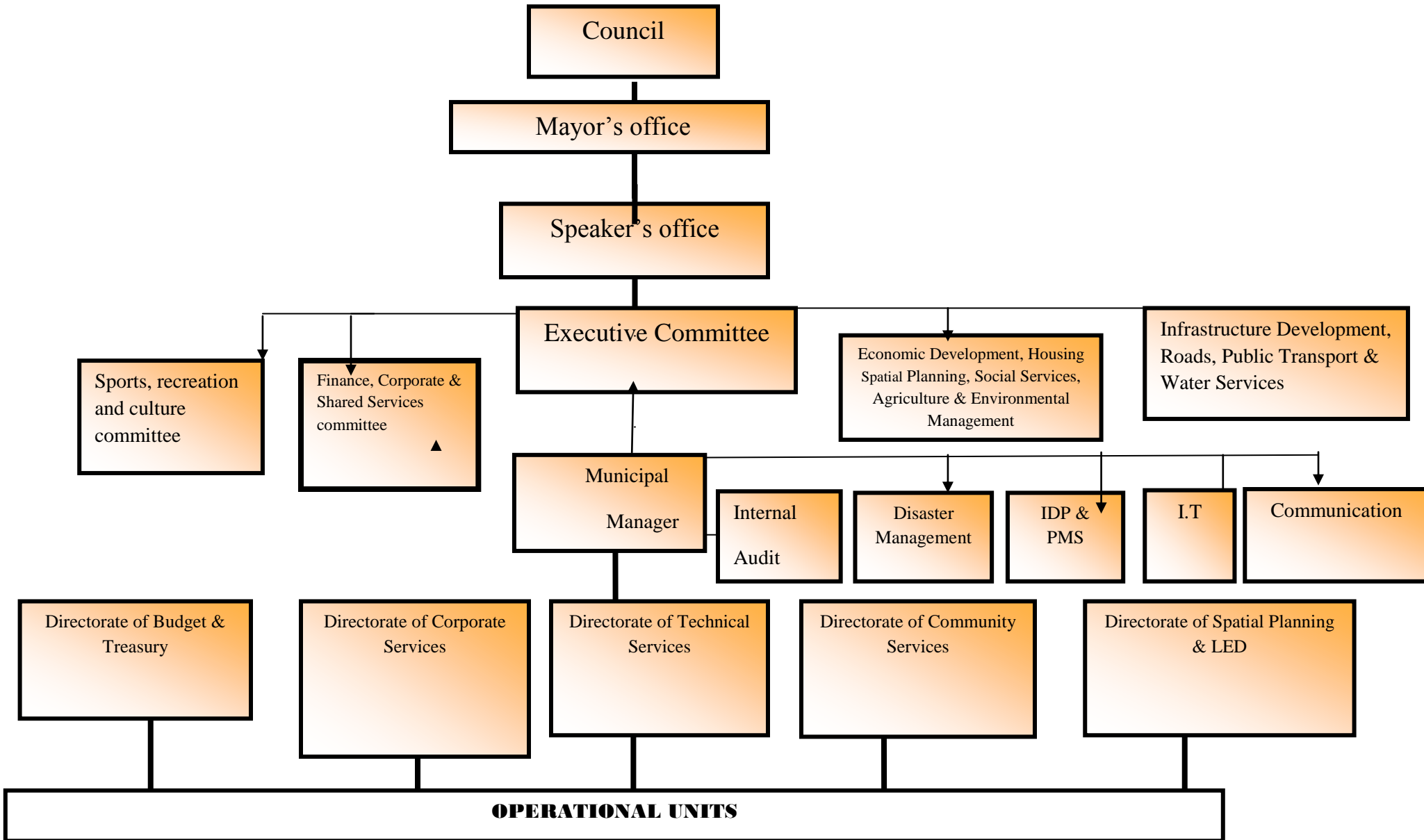
Table 31: Portfolio Committees:

NAME OF COMMITTEE	CHAIRPERSON	SUPPORT DEPARTMENT
Finance, Corporate and shared services	Cllr. Moshilo Popela	Budget and Treasury Offices and Corporate services
Economic Development, Housing, Spatial planning, social services, agriculture and environmental management	Cllr. Joyce Mahlo	Spatial Planning and Economic Development and Community Services
Sports, recreation and culture	Cllr. Mathaba A.T	Community Services
Infrastructure Development, roads, public transport and water services	Cllr. Nyathi Julia	Technical Services

### 5.15.5 ADMINISTRATION

The municipal manager, who is the Chief Accounting Officer, heads the administration. The total positions in the organ gram stand at 180 whereas the positions filled are 146 which amount to 81.1% while the vacant positions are 26. There are 3 vacant Section 56 positions namely: CFO, Directors SPED and Community Services.

MARULENG MUNICIPALITY ORGANOGRAM - MANAGEMENT



**Table 23: depicts Departmental or Directorates Responsibilities**

<b>MUNICIPAL MANAGER'S OFFICE</b>	<b>CORPORATE SERVICES</b>
<ul style="list-style-type: none"> <li>• Overall responsibility for the organization</li> <li>• Strategic Planning (IDP,PMS,SDBIP)</li> <li>• Communication</li> <li>• Internal Auditing</li> <li>• Disaster Management</li> <li>• Information Technology</li> <li>• Public Participation</li> </ul>	<ul style="list-style-type: none"> <li>• General Administration (Human Resource)</li> <li>• Legal Services</li> <li>• Council Support</li> <li>• Policies and Procedures</li> <li>• Capacity Building/Training</li> <li>• Occupational Health and Safety</li> </ul>
<b>SPATIAL PLANNING AND ECONOMIC DEVELOPMENT</b>	<b>TECHNICAL SERVICES</b>
<ul style="list-style-type: none"> <li>• Spatial Planning</li> <li>• LED</li> <li>• Land Reform</li> <li>• Building Regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Municipal Roads and Storm Water</li> <li>• Infrastructure management</li> <li>• Project Management</li> <li>• Drainage and Storm Water</li> <li>• Housing Facilitation</li> </ul>
<b>BUDGET AND TREASURY</b>	<b>COMMUNITY SERVICES</b>
<ul style="list-style-type: none"> <li>• Income and Expenditure</li> <li>• Debt Management</li> <li>• Budgets</li> <li>• Asset Management</li> <li>• Financial Reporting</li> <li>• Supply Chain Management</li> <li>• Fleet Management</li> </ul>	<ul style="list-style-type: none"> <li>• Waste Management</li> <li>• Sports and Recreation</li> <li>• Parks and Cemeteries</li> <li>• Traffic and licensing</li> <li>• Youth and Gender matters</li> <li>• Thusong Services Centre</li> </ul>

#### 5.15.6 MANAGEMENT SYSTEMS

The Management has developed management systems that are used to deliver services to the municipal constituencies. A management system consists of policies, procedures, personnel, plans and equipments to enable the municipality to have good governance, cost effective and efficient delivery of services. A synopsis of the various management systems are highlighted hereunder:

##### 9.7. Human Resource Management System

The municipality has a human resource management system that is constituted of human resource management policies, procedures, personnel and plans. The specific employee relations policies have the primary objective to establish the MLM approach towards its employees and external agencies that play a part in employer-employee relations. The policies include inter alia:

- Joint Representation Forum Principles;
- Recognition Agreements;
- Disciplinary Procedures;
- Basic Conditions of Employment;
- Grievance Procedures; and
- Training Policy

Labour relations are dealt through the Local Labour Forum. The employees of Maruleng are affiliated to SAMWU and IMATU.

#### 5.15.8 SKILLS DEVELOPMENT

The municipality places greater emphasis towards capacitating its personnel in line with the Skills Development Act (Act.NO.97 of 1998) and the Skills Development Levies Act (Act No. 9 of 1999).

The municipality has developed a comprehensive Work Skills Plan which the Equity Plan forms an integral part and has registered with the Local Government Sector Education and Training Authority.



This legal framework and the National Skills Development Strategy are intended to encourage employers to comply with legislations by so doing:

Support economic growth for employment creation and poverty eradication

- Promote productive citizens by aligning skills development with national strategies for growth and development
- Accelerate Broad based Black Economic Empowerment and Employment Equity, and
- Help to create a competitive and productive work environment.

The municipality experiences the following challenges regarding skills development:

- About 40 employees are without grade 12
- About 70 employees of the 146 are computer illiteracy
- Conduct management

#### 5.15.9. EMPLOYMENT EQUITY PLAN

In accordance with Employment Equity Act (No.55 OF 1998), Maruleng municipality developed and implemented the Employment Equity Plan, as required by the said Act. The Plan reflects the significant progress the municipality has achieved thus far and actions to address challenges relating to enhanced demographic representatively, skills development, fast-tracking, diversity management and organisational culture assessment.

The employment equity profile illustrates progress made towards transformation. In terms of women empowerment, significant initiatives need to be introduced at the top level to bring women to the fore. The employment equity statistics are represented in the table below.

**The municipality is faced with the following challenges regarding employment equity:**

- **Unable to attract skilful personnel of people with disabilities in senior positions**
- **Unable to attract women with suitable qualifications in top management**

Table 24: Demographic Profile of Employees

Employment Equity Implementation	Designated Group	Non-Designated Group	Women
Top Management	100%	0%	0NE
Middle Management	100%	0%	60%
Professional Staff	100%	1%	80%

#### 5.15.10. Performance Management System

The municipality has a functional performance management system aligned to the IDP, Budget and SDBIP. This system assists the municipality to monitor measure and assess performance of both the institution and individuals. Reports are generated on a monthly, quarterly and annual basis.

#### 5.15.11 Communication System

The municipality has implemented communication strategy and appointed Communication Officer. The above initiatives have improved communication amongst stakeholders around key municipal activities and programmes.

#### 5.15.12. Special Programmes of Council

The special programmes of Council, namely, Gender, Youth and the Disability Desks have been established in the office of the Mayor, to champion the interest of these designated groupings in the programmes of the municipality. The needs of the special groups amongst others are:

- ❖ Skills Development
- ❖ Employment opportunities
- ❖ Assistance devices like wheelchairs, walking sticks, hearing aids etc
- ❖ Housing
- ❖ Access to government facilities and services

## 5.16. Social Analysis

### Background

The historic imbalances in South African society resulted in the majority of our people living without land and housing, access to safe water and sanitation for all, affordable and sustainable energy sources, illiteracy, poor quality education and training, poor and inaccessible health services. Here is the socio-analytic reflection of MLM.

#### 5.16.1. Housing

Housing is the mandate of COGHSTA and the municipality plays a facilitation role between the community and the department. About 23 416 (95.69 %) of all households are residing in a formal dwelling and 4.6% households reside in either informal or traditional dwelling. The housing backlog is estimated at 1050. Table 18: below depicts the type of dwelling.

Type of dwelling	Census 2001	Census 2011
House or brick on a separate stand or yard on a farm	75.4	23 125
Traditional dwelling/hut/structure made of traditional materials	15.8	637
Flat or apartment in blocks or flats	2.3	142
Cluster house in complex	0.4	21
Townhouse (semi-detached house in a complex)	1.6	24
Semi-detached house	1.5	18
House/flat/room in backyard	1.5	86
Informal dwelling/shack in back yard	1.5	138
Informal dwelling (shack not in a backyard; e.g in an informal/squatter or on a farm)	1.2	84
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	0.3	73
Caravan or tent	-	26
Total	100	100

#### 5.16.1.1 Housing Backlog

According to municipal information the current housing backlog exists mainly in the rural villages and is estimated at 1050 households. The municipality has a Housing Chapter that outlines how the backlog will be eradicated.

#### 5.16.1.2 Challenges

- ❖ None availability of land in Hoedspruit (economic hub) to build low costing housing as an attempt to build integrated human settlement.
- ❖ Poor quality of some RDP houses

#### 5.16.1.3 Informal settlement.

Informal settlement has major negative effect to the environment in that through its practice the vegetation is destroyed when buildings are built. The major causes of informal settlements are poverty, unemployment, population growth and urbanization. The municipality has two informal settlements with 590 dwellings accommodating 3540 households.

### **5.16.2 Health and Social Development.**

The challenge of the health sector in South Africa is to develop a unified national health system capable of delivering quality health care to all citizens efficiently and a caring environment. Overall health care expenditure and access to health care in the municipality remain poor.

Maruleng municipality has approximately 75% of communities situated within a 20km radius and 70.83% of the communities situated within a 5km radius of a clinic.

At the moment there is 1 Hospital at Sekororo and 10 clinics at various villages. Welfare policies and programmes form an important part of government's anti poverty strategy, with most of the budget being allocated to provinces. About 7592 people receive social grants. There is still limited knowledge of, and access to these grants, especially in rural areas. One more critical challenge is recorded in Foster Care grants whereby a delay is witnessed when social worker take unreasonable time to assess the families.

To this end, a sizeable number of poor households are currently not receiving any form of social assistance and the child support grant has failed to respond to the deepening problem of child poverty. There are 12 Early Childhood Development Centres. Table 19 indicates number of health facilities.

Table 19: depicts Health Facilities:

VILLAGE NAME	HOSPITAL NAME	CLINIC NAME
Bismarck		Bismarck clinic
Ga-sekororo		Sekororo clinic
Lorraine		Lorraine clinic
Mabins A		Mabins clinic
Sofaya		Sofaya clinic
The Oaks		The Oaks clinic
The Willows		The Willows clinic
Turkey 1		Turkey clinic
Calais		Calais clinic
Hoedspruit		Hoedspruit clinic
Metz	Sekororo hospital	

#### 5.16.2.1 HIV and AIDS Prevalence

During the past decades, there has been an exponential growth in the number of HIV/AIDS infections in South Africa. This growth has been accompanied by greater visibility of the epidemic, especially owing to increasingly number of AIDS deaths. Despite the scale of the epidemic, there is relatively limited data on the impact at personal, community, business or national level. One reasons for this undoubtedly the enormous stigma that is still attached to HIV infections. The rate of HIV/AIDS according to census 2007 has slightly decline from 27% to 26,8% but it is still higher compared to the 23% of the District.

The contributory factors for high prevalence of HIV/AIDS and related diseases amongst others are:

- Poverty, gender inequality and orphanage
- Rapid urbanization and cultural modernization.
- Cross border gates and national route
- Dynamics of a growing economy
- Increase in the commercialization of sexual activities.
- High unemployment rate
- Low literacy rate
- Alcohol and substance abuse
- High crime rate
- Submissive feeling to superiors

Although the epidemic affects all sectors of society, poor households carry the greatest burden and have least resources available to cope with the impact of the disease. There are number of non-governmental organisations focusing on HIV/AIDS education, awareness and prevention programmes such as Hlokomela. Other prevalent diseases in the municipality are:

- Diarrhea
- Pneumonia
- Tuberculosis
- Malaria
- Sexual Transmitted Infections (STI)
- And recently, Cholera which has claimed about 5 lives.

### **5. 16. 3. Safety and Security.**

The South African Police service (SAPS) is responsible for the safety and security in the municipality. Hoedspruit police station has shown a decline since 2002. However, crime particular theft, murder and witchcraft have recently increased in the municipality. The most common crimes in the area are assault and theft. There are Community Policing Forums (CPFs) in all the wards. There is one police station which is in Hoedspruit and one satellite police station in Hlohlokwe. Maake police station also provides service to some of our areas. Shortage of police personnel and in effective community policing are critical challenges.

For the municipality to achieve economic growth, safety and security is required to attract investments and thus create jobs and poverty alleviation. The municipality should jointly with the Department of Safety and Security, develop and implement crime prevention strategy.

The following areas were identified as crime hotspots:

CRIME CATEGORY	FREQUENCIES	CRIME HOT SPOTS AREAS	FACILITIES
GBH	91	<u>Contact crime</u> <ul style="list-style-type: none"><li>▪ The Oaks</li><li>▪ The Willows</li><li>▪ Winlake Farm</li><li>▪ Royal</li><li>▪ Lorraine</li></ul>	<ul style="list-style-type: none"><li>▪ 1 Police station</li><li>▪ 2Satellite stations</li></ul>
Burglary (residence)	62		
Burglary ( non-residence)	53		
Common Assault	48	<u>Property related</u> <ul style="list-style-type: none"><li>▪ The Oaks</li><li>▪ Champion Chicken</li><li>▪ Marula Park</li><li>▪ Jonkmanspruit</li></ul>	
Malicious damage to property	43		

Source: Dept Safety & Security.

#### 5.16.4 Education

There are 38 primary schools, 1 combined school and 23 secondary schools. There are also approximately 32000 learners in schools. Hoedspruit which is the economic hub of the municipality doesn't have a public secondary school. The teacher pupil ratio is 1:43 on average in primary and 1:39 in secondary schools, although the norm is 1:35 in secondary schools and 1: 40 in primary schools. Learner: teacher ratios are substantially higher than the national norm.

There is a serious shortage of schools, and more specially, classrooms in both primary and secondary schools. Infrastructure such as electricity, water, sanitation is also needed in many schools. Education investments are crucial for sustained economic growth as it directly contributes to increased work productivity, more rapid technological adaptation and innovation, as well as better natural resource management. There are 61 ABET centres.

The municipality does not have a single institution of higher learning hence the shortage of skills in the area. The municipality has a backlog of 66 classrooms. The municipality recorded a grade 12 pass rate of 41.7% in the 2011 academic year



### **5.16.5 Sports and Recreation.**

Sports and recreational activities are coordinated by the Department of Sports, Arts and Culture in liaison with the local municipality. Sports council was established in the municipality which co-ordinates sporting activities (comprise by community members, Department of sports and officials from the municipality). The development of sports in the municipality is still a challenge. The municipality has two stadia namely Maruleng show ground and The Willows. There is also Metz sports hub which has facilities of different sporting codes. There is a general need for constant maintenance and upgrading of these facilities in the light of the 2010 World Cup. Currently the municipality is upgrading Willows stadium.

#### **5.16.1 Arts and Culture.**

Arts and Culture Committee was established to coordinate Arts and Cultural activities in the municipality. The municipality also participate in the annual district Arts and Cultural competitions.

#### **5.16.2 Library Facilities.**

There are three libraries in the municipality, two managed by the municipality and the other by the South African National Defence Force. The library in Metz is an important milestone because its location and accessibility by most community members.

#### **5.16.3. Thusong Centre Services**

Thusong centre in Metz is functional from the beginning of February 2008. Between the 1<sup>st</sup> of January 2010 and January 2011 about 24000 people were serviced at the centre. These community members were supposed to travel long distance to access these services. The centre intends to bring government close to the people.

The following organizations provide services in the centre:

- SAPS
- LEDET
- Home Affairs
- Department of Labour
- Department of Agriculture
- Maruleng Municipality
- IEC
- Khutso-Kurhula

### **5.17. Telecommunications**

Telecommunications is an information infrastructure that plays a crucial role in the development of other socio-economic sectors. Thus, an effective telecommunication infrastructure, that includes universal access, is essential to enable the delivery of basic services and the reconstruction and development of deprived areas. About 53% of all households have access to a public telephone as much as 21.6% of households have access to a cell phone but the proportion of households with an in-house telephone within their dwelling is limited to just over 6%. Telkom has a problem regarding telephone infrastructure in terms of new connections.

Access to telecommunications facilities is as follows:

- About 21 368 households have access to cellphone
- Only 580 households have access to landline
- About 10 533 households have access to radio
- About 16 298 households have access to television
- Only 3 182 households have access to satellite television
- Only 1 299 households have access to a computer
- Only 519 households have access to internet from home
- About 5 678 households have to post mail post box/bag

## 5.18. Disaster Risk Management in the Municipality

### Background

Disaster Management is a continuous and integrated multi-sectoral and multi- disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery, and rehabilitation (Disaster Management Act, Act 57 of 2000). The municipality has a Disaster Risk Management Plan which is in line with Act 57 of 2000. The plan will soon be adopted by Council. The responsibility for the coordination of the overall implementation of the plan is the Disaster Officer and assisted by two interns.

The following were identified as the major disaster risk challenges:

Table 29: depicts major disaster risks prevalent in the municipality

	<b>TYPE</b>	<b>RISK</b>
<b>1</b>	Hydro meteorological hazards	Drought, Cyclone, Floods, Fire, Hailstorms, Lightning, Severe storms, Wind storms & Tornado
<b>2</b>	Geological hazards	Landslide/mudflow
<b>3</b>	Biological hazards	Food poisoning, foot and mouth disease, malaria, rabies (animals) & communicable diseases
<b>4</b>	Technological hazards	Dam failure, Hazardous material by road accidents
<b>5</b>	Environmental degradation	Air pollution, Deforestation, Soil pollution, Siltation & Land degradation

## 5.19. MUNICIPAL SWOT ANALYSIS

The Strategic plan of any organisation can only be developed once a proper environmental analysis has been conducted. One of the best known strategic tools for environmental analysis is the SWOT analysis. The SWOT analysis focuses on the internal environment by determining the Strengths and Weaknesses within the organisation. When analyzing the external environment the focus should be on identifying Opportunities, and Threats facing the organisation. After meaningful participation, the following SWOT identified by the participants as the strong and weak points of the Municipality, were tabled as follows:

<b>STRENGTHS (Internal)</b>	<b>WEAKNESSES (Internal)</b>	<b>OPPORTUNITIES (External)</b>	<b>THREATS (External)</b>
MFMA compliance	Maintenance of infrastructure	Agriculture	Water shortage
IDP,PMS and Budget aligned	Grant dependent	Tourism, Tourism Body	Land claims
Effective council structures	Revenue collection	Revival of non-functional LED projects	Lack of available land for development in town
Batho Pele principles are lived out	Enforcement of By-laws and policies	K2C Biosphere	Lack of affordable accommodation in Hoedspruit
Effective implementation of SDF	Data management	Small scale mining (Mica)	Climate change, drought, fires, floods etc
Non-reliance on bank loans and overdrafts	SCM compliance	East Gate Airport (customs and excise Unit, chartered flights to land at East Gate, commercial opportunities	Hazardous materials
Political support	MIG expenditure	Blyde 800 Water Resource (bulk water from Blyde)	HIV/AIDS and communicable diseases
Infrastructure (offices and roads)	Asset and Inventory Management	Alternative energy source (Hydro and solar)	Lack of tertiary institutions
Most positions filled	Delay in filling vacant Section 56 positions	Smart partnerships	Crime- Theft
	Unable to attract and retain skilful and competent personnel	Cooperation with traditional Leadership	

## **5.20. PRIORITIZATION**

Government does not have sufficient resources to address all issues identified by communities. Prioritization assists government, and in this case, primarily the municipality in allocating scarce resources. The following informed the municipality in determining municipal-wide priorities:

- ❖ Greatest needy area
- ❖ Impact the service will make
- ❖ The potential for poverty alleviation, cost recovery and job creation
- ❖ Revenue generation

### **5.20.1. Priorities of Maruleng Municipality**

The following are the priorities of the municipality:

- Provision of water and sanitation services
- Job creation and livelihoods (LED)
- Provision of health services
- Provision of roads and public transport
- Disaster management and emergency services
- Provision of educational infrastructure and services
- Refuse removal , waste and environmental management
- Safety and security
- Provision of social amenities (particularly sports facilities)
- Land use management and land ownership, and

### 5.20.2. Priorities, Problem Statement and Objectives

**TABLE: 25**

PRIORITIES	PROBLEM STATEMENT	OBJECTIVES
1. WATER	The main problem with regard to water is source	<ul style="list-style-type: none"> <li>• Reach balance between the supply and demand of water sources</li> <li>• To roll-out provision of new water connections to formalized areas</li> <li>• To improve quality of portable water to consumers</li> <li>• To maintain the existing infrastructure</li> <li>• To provide new infrastructure for new development</li> </ul>
2. SANITATION	Lack of access to basic sanitation has created massive and environmental and health problems in both rural and urban areas in the municipality	<ul style="list-style-type: none"> <li>• To address backlogs regarding sanitation</li> <li>• To maintain and upgrade existing infrastructure</li> </ul>
3. LED		<ul style="list-style-type: none"> <li>• To promote local economic development in the municipality in order to create sustainable jobs</li> </ul>
4. ENERGY	Failure or interruption of supply and communities receive inadequate services	<ul style="list-style-type: none"> <li>• To ensure that there is a balance between supply and demand of electricity</li> <li>• To have cost effective electricity serving mechanisms</li> <li>• To ensure reviewal of service provision methods to communities</li> </ul>
5. HIV AND AIDS AND OTHER DISEASES	HIV and AIDS is a serious problem threatening our workforce and the community at large, thus increasing the number of orphans and child-headed families	<ul style="list-style-type: none"> <li>• To manage and prevent the spread of HIV/AIDS and other diseases in the workforce and community</li> </ul>

6. EMERGENCY SERVICES AND DISASTER MANAGEMENT	Unavailability of Disaster and Emergency centres	<ul style="list-style-type: none"> <li>• To have advanced communication and dispatching system in the centres</li> <li>• To render effective and efficient service delivery to the community by quick respond to all emergency calls</li> <li>• To have proper accommodation for public safety</li> </ul>
7. ROADS AND STORMWATER	Most roads are not well maintained and there is a general shortage of bridges	<ul style="list-style-type: none"> <li>• To ensure the existing of planning and budgeting tools for road maintenance</li> <li>• To improve road mobility in the municipal roads</li> </ul>
8. INSTITUTIONAL DEVELOPMENT	Shortage of personnel in Finance and Planning	<ul style="list-style-type: none"> <li>• Filling of strategic positions</li> </ul>
9. TRANSPORT AND COMMUNICATION	<ul style="list-style-type: none"> <li>• Non- formalization of tax Industry within the municipality</li> <li>• No proper bus and taxi ranks in Hoedspruit</li> <li>• No access of telecommunication in most rural areas</li> </ul>	<ul style="list-style-type: none"> <li>• To formalize the taxi industry</li> <li>• To build multi-modal public transport stop in Hoedspruit</li> <li>• Access of telecommunication by rural communities</li> </ul>
10. ENVIRONMENTAL MANAGEMENT	The municipality experiences severe environmental effects/problems	<ul style="list-style-type: none"> <li>• To develop and implement Environmental Management Plan</li> </ul>
11. SAFETY AND SECURITY	Shortage of police stations in the municipality	<ul style="list-style-type: none"> <li>• To provide safety and security to all residents by providing adequate facilities and police visibility</li> <li>• To make Maruleng safer tourist destination</li> </ul>
12. HOUSING	About 4.6% of our population reside in either informal or traditional housing	<ul style="list-style-type: none"> <li>• To provide proper shelter to all residents of Maruleng</li> </ul>
13. HEALTH AND SOCIAL	<ul style="list-style-type: none"> <li>• There is only one</li> </ul>	<ul style="list-style-type: none"> <li>• To provide comprehensive primary health care services</li> </ul>

WELFARE	<ul style="list-style-type: none"> <li>hospital and nine clinics</li> <li>There is general shortage of sports and recreational facilities</li> <li>Not enough pay points for social grants</li> </ul>	<ul style="list-style-type: none"> <li>To render an effective sport and recreational services in the municipality</li> <li>To make social welfare facilities accessible to community members</li> </ul>
14. EDUCATION	<ul style="list-style-type: none"> <li>There is a serious need for education and skills ad only 6% of the population have tertiary education</li> <li>Shortage of educational infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>To develop education and training strategy which will be informed by the LED Strategy</li> <li>To communicate all educational needs and issues to the department of education</li> </ul>
15. LAND USE MANAGEMENT AND OWNERSHIP	Shortage of land for development and residential for low and middle income in Hoedspruit	<ul style="list-style-type: none"> <li>To purchase land for development and residential</li> </ul>
16. REFUSE REMOVAL AND WASTE MANAGEMENT	<ul style="list-style-type: none"> <li>The municipal collects waste in urban areas only</li> <li>The municipality does not have a land fill site</li> </ul>	<ul style="list-style-type: none"> <li>To render a sustainable, cost effective refuse removal services to domestic as well as businesses in the entire municipal area</li> <li>To manage waste effectively</li> <li>To have a licensed land fill site</li> </ul>

This Developmental Analysis comprises of the technical analysis and needs. Both provide a proper understanding of the status quo in the municipality. Having undertaken the various analysis approach to issues (per sector, per social strata etc), the municipality has come to understand the strengths, weaknesses, opportunities and threats of its own municipal area. The needs and technical issues raised in this Developmental Analysis are critical for the way forward because they are the foundation on which strategies, projects and implementation are based.



### 5.20.3 Summary of community priorities

In order to understand the overall extend of the challenges faced by communities, the priorities were analysed and arranged in chronological order, based on the most raised challenge and least raised challenge. Table 35 below gives a summary of community priorities:

NO	PRIORITY	AFFECTED WARDS	ISSUES TO BE ADDRESSED
1	Water	1,2,3,4,5,6,7,8,9,10,11,12,13,14	Bulk supply
			Reticulation
			Boreholes & pump machines
2	Roads & storm water	1,2,3,4,5,6,7,8,9,10,11,12,13,14	Tarring of access roads
			Low-level bridges
			Maintenance & grading
			Storm water drainage
			Speed humps
3	Housing	1,2,3,4,5,6,7,8,9,10,11,12,13,14	RDP houses & repairing the existing houses
4	Electricity	2,3,4,5,6,7,8,9,10,11,12,13,14	Households connections
			High mast lights & maintenance of existing mast lights
5	Sanitation	1,2,3,4,5,6,7,8,9,10,11,12,13,14	VIP toilets
			Sewer system
6	Health	3,4,5,6,7,8,9,10,11,12,13,14	New clinics
7	LED	1,2,3,4,5,6,7,8,9,10,11,12,13,14	Job creation
			Shopping complexes
8	Community facilities	1,2,3,4,5,6,7,8,9,10,11,12,13,14	Social amenities (community halls, parks, sports facilities) & maintenance of existing community halls
			New cemeteries & maintenance of existing cemeteries
9	Safety & security	2,3,4,5,6,7,8,9,10,11,12,13,14	Police station & satellite stations
10	Education	1,2,3,4,5,6,7,8,9,10,11,12,13,14	Pre-schools, primary & secondary
			New classrooms & repair of damaged classroom
			Admin Blocks & libraries
11	Waste management	1,2,3,4,5,6,7,8,9,10,11,12,13,14	Refuse removal
12	Social services	1,2,3,4,5,6,7,8,9,10,11,12,13,14	Mobile offices: SASSA & Home Affairs
13	Land	1	Land for development & human settlement

## DEVELOPMENTAL STRATEGIES

### 6. INTRODUCTION

Maruleng Local Municipality Integrated Development Plan (IDP) maps the needs of the community and also determines strategies and plans to address the needs as highlighted by the communities through the process of consultation. This section outlines the vision, objectives and strategies set by the municipality to achieve its developmental aims. The approach adopted in this section is based on developing a strategic intent which is firmly entrenched in:

- Responding to the gap analysis and ensuring a developmental approach and an integrated response

#### 6.1. THE STRATEGIC INTENT OF MARULENG LOCAL MUNICIPALITY

An effective integrated planning review process which included a Strategic Planning session held on the 21-23<sup>rd</sup> November 2012 culminated into the review of the strategic intent which ultimately is a summary of what the municipality intends to achieve. The foundation built through strategic planning will assist Maruleng Local Municipality to focus all efforts and actions towards the attainment of the objectives identified, enabling the municipality to live up to the expectations of the communities.

##### 6.1.1. VISION

A vision is the most ambitious dream for the organisation and as such it provides direction. A vision defines what the organisation hopes to achieve in 5 or 10 years. Maruleng Local Municipality confirmed the already existing vision during the Strategic Planning session to be still steering the municipality as an organization to its dream.

The vision of Maruleng Local Municipality is:

***“To be the powerhouse of socio-economic development through sustainable and integrated agriculture and tourism”***

This vision culminates from the following factors: The diverse cultural opportunities within the Maruleng Local Municipality area should be developed into tourist attractions. The agriculture sector growth, and processing opportunities together with that, motivates the opportunity for even more superseded agricultural sector growth and processing.

Maruleng Local Municipality’s vision compliments the vision of Mopani District Municipality, which is: “To be the food basket of Southern Africa and tourism destination of choice” as well as the other municipalities within the District area in order for the District as a whole to succeed.

### **6.1.2. MISSION**

A Mission Statement portrays the municipality's reason for existence; it maps out how the vision of Maruleng Local Municipality as an organization is going to be achieved.

The mission of Maruleng Local Municipality is:

***“Maruleng Local Municipality is committed to the provision of basic services and the promotion of socio-economic development in an integrated and sustainable manner.”***

This mission addresses the objectives of local government section 152 of the constitution and also supports the key provisions of the System Act that is to: “...provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that is affordable to all”

### **6.1.3. SLOGAN**

A slogan is a memorable motto or phrase used in a repetitive expression of an idea or purpose. A slogan expresses the uniqueness of an organisation. The proposed slogan for Maruleng Local Municipality is:

***“Wildlife Haven”***

This slogan is informed by the fact that the municipality has the largest game/wild farming in the world as part of the municipal area. Many of these game farms are also situated adjacent to the Kruger National Park and therefore provides access to this renowned international natural resource.

### **6.1.4. VALUES**

The values describe the interrelationship between people within an institution and the interrelationship between them and the people they serve. As such it describes the business practices applied and the value placed on certain principles. The values Endeavour to reflect the culture that prevails or should prevail in a specific institution.

In the case of a municipality, the ethos focuses on the interrelationships between:

- Councillors to Councillors
- Councillors to Administration
- Councillors to Community
- Administration to Administration
- Administration to Councillors
- Administration to Community

To put the culture that must prevail in an institution such as a municipality, in perspective, the following must be kept in mind. The public surrenders its rights to councillors, thereby giving them the authority to represent them. In return the public expects councillors to maintain the services of the municipality.

To render these services councillors need expertise and personnel. The officials of the municipality have this expertise and on behalf of councillors they render municipal services to the public while being accountable to the council as their employer and the public as their clients.

On the other hand councillors take responsibility for the effectiveness of their employees, while being accountable to the public. Thus councillors and officials are in a partnership aimed at fulfilling the needs of the public. To make effective service rendering to the public possible, both councillors and officials, towards each other and within each group, must have a relationship based on mutual trust, respect and accountability.

The relationship between trade unions and officials/councillors has as its primary aim the negotiation of conditions of employment of trade union members. Councillors are the employers of trade union members. It is very important to remember that councillors and officials derive their powers from the public and as such are primarily accountable to the public.

Councillors are the custodians/guardians of the public interest and their main mission is the rendering of services to the public and acting in the best interests of the public.

The following values were identified from the interrelationships between Councillors to Councillors, Councillors to Administration, Councillors to Community, Administration to Administration, Administration to Councillors as well as Administration to Community:

*Courtesy*

*Transparency*

*Commitment*

*Trustworthy*

*Accountability*

*Reliability*

*Accessible*

*Honesty*

*Respect*

*Professionalism*

People's behavior is determined by our beliefs, values and attitude and so is the case with an organization like the municipality.

## **6.2. ALIGNMENT WITH NATIONAL PRIORITIES/STRATEGIES**

### **NATIONAL PRIORITY AREAS**

- **Creation of decent work and sustainable livelihoods;**
- **Education;**
- **Health;**
- **Rural development, food security and land reform; and**
- **The fight against crime and corruption**

### **NATIONAL OUTCOMES**

- Improved quality of basic education
- Along and healthy life for all South Africans
- All people in South Africa feel and are safe
- Decent employment through inclusive economic growth
- Skilled and capable work force to support inclusive growth path
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities with food security for all
- Sustainable human settlement and improved quality of household life
- A responsive, accountable, effective and efficient local government system
- Environmental assets and natural resources that are well protected and continually enhanced
- Create a better South Africa and contribute to a better and safer Africa and World
- An efficient, effective and development oriented public service and empowered, fair and inclusive citizenship

**The National Development Plan focuses amongst others on the following:**

- The active efforts and participation of all South Africans in their own development
- Redressing the injustices of the past effectively
- Faster economic growth and higher investment and employment
- Raising standards of education, a healthy population and effective social protection
- Strengthening the links between economic and social strategies
- Collaboration between the private and public sector

MTSF	NDP	LEGDP	MLM Strategic Objectives	OUTCOME 9
Strategic Priority 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods i.e. expenditure management	Faster economic growth and higher investment and employment	<b>Ensuring more inclusive economic growth, decent work and sustainable livelihoods:</b> to respond appropriately, promptly and effectively so that growth and decent employment as well as improvements in income security are reinforced and the sustainability of investments.	Grow the economy and provide livelihood support	Implement the community work programme and cooperatives supported
Strategic Priority 2: Massive programme to build economic and social infrastructure i.e. infrastructure investment programme, public transport infrastructure, low-cost and affordable housing, improving provincial and local government capacity, health, education, library, sporting, recreation.	Strengthening the links between economic and social strategies	<b>Economic and social infrastructure:</b> infrastructure investment programme aimed at expanding and improving social and economic infrastructure in order to increase access, quality and reliability of public services and to support economic activities, while considering environmental sustainability and pursuing maximum employment impact.	Improve community well-being through accelerated service delivery	Improved access to basic services  Actions supportive to human settlement outcomes

MTSF	NDP	LEGDP	MLM Strategic Objectives	OUTCOME 9
Strategic priority 3: Comprehensive rural development strategy linked to land and agrarian reform and food security i.e. land reform policies, agricultural production, rural livelihoods and food security, service delivery, rural transport, revitalisation of rural towns, support non-farm economic activities	Redressing the injustices of the past effectively	<b>Rural development, food security and land reform:</b> to develop and implement a comprehensive strategy of rural development that will be aimed at improving the quality of life of rural households, enhancing the country's food security through a broader base of agricultural production, exploiting the varied economic potential that each region of the country enjoys	Plan for the future	Implement a differentiated approach to municipal financing, planning and support
Strategic Priority 4: Strengthen the skills and human resource base i.e. adequate basic services (water, sanitation, electricity to schools; access to facilities such as libraries, classrooms and laboratories.	Raising standards of education, a healthy population and effective social protection	<b>Access to quality education:</b> to focus on skills and education system towards the delivery of quality outcomes	Improve community well-being through accelerated service delivery  House the nation and build integrated human settlement	Improve administrative capacity
Strategic Priority 5: Improve the health profile of all South Africans i.e. filling of critical vacant posts, improving the national emergency medical (ambulance) service model, implement Comprehensive Plan for the Treatment, Management and Care of HIV and AIDS	Raising standards of education, a healthy population and effective protection	<b>Improved health care:</b> to transform health system, improve quality of care and public facilities, boost human resources and set up the fight against HIV and AIDS, TB and other communicable diseases, as well as life style and other causes of ill-health and mortality.	Effective and efficient community involvement	Deepen democracy through a refined ward committee model



MTSF	NDP	LEGDP	MLM Strategic Objectives	OUTCOME 9
Strategic Priority 6: Intensify the fight against crime and corruption i.e. fight against crime and corruption in the public and private	Raising standards of education, a healthy population and effective social protection	<b>Fighting crime and corruption:</b> to curb levels of crime and corruption.	Become financial viable	Single window of coordination
Strategic Priority 7: Build cohesive, caring and sustainable communities i.e. development and strengthening of community organisations such as school governing bodies, community policing forum, ward committees,	Collaboration between the private and public sector	<b>Cohesive and sustainable communities:</b> the meet the target of halving poverty and unemployment by 2014, and, in conjunction with other priorities, to strengthen human capabilities, promote shared values and social solidarity and strive to reduce overall inequalities.	Develop partnerships  Improve intergovernmental function and coordination	Single window of coordination
Strategic Priority 8: Pursuing African advancement and enhanced international co-operation	The active efforts and participation of all South Africans in their own development	<b>Creation of a better Africa and a better world:</b> ensure that foreign relations contribute to the creation of an environment conducive to economic growth and development domestically, within Africa and in other developing countries.	Effective and efficient community involvement	Single window of coordination
Strategic Priority 9: Sustainable Resource Management and use	The active efforts and participation of all South Africans in their own development	<b>Sustainable Resource Management and use:</b> diversification of the energy mix in pursuit of renewable energy alternatives and the promotion of energy efficiency, enforcing a zero	Develop and retain skilled and capacitated workforce  To build effective and efficient organization	Implement a differentiated approach to municipal financing, planning and support

		tolerance approach to illegal and unsustainable food production, and promoting sustainable water use and preserving quality of drinking water		
Strategic Priority 10: Building a developmental state including improvement of public services and strengthening democratic institutions i.e. Improving the capacity and efficacy of the state, improving the delivery and quality of public services, entrenching a culture and practice of efficient, transparent, honest and compassionate public service and building partnership with society and strengthening democratic institutions	Raising standards of education, a healthy population and effective social protection	<b>A developmental state, including improvement of public services:</b> Improving the capacity and efficacy of the state, improving the delivery and quality of public services, entrenching a culture and practice of efficient, transparent, honest and compassionate public service and building partnership with society and strengthening democratic institutions.	Develop and retain skilled and capacitated workforce	Improve administrative capacity

During the strategizing process, further cognizance was taken of the national guidelines to guide local development. The localised strategic guidelines are an important element of the strategies phase that determines how development should be undertaken taking into cognizance the relevant policy guidelines and legislation. The rationale behind the need to develop localised strategic guidelines to ensure that cross cutting dimensions such as the spatial development principles, local economic development strategies, environmental sustainability and poverty alleviation and gender equity aspects are adequately considered when strategies and projects are planned. The localised strategic guideline discussed hereunder, outline the way in which the municipality development strategies and projects consider the national guidelines into consideration the specific conditions in the municipality as indicated in the analysis phase.

### **6.3. STRATEGY MAP**

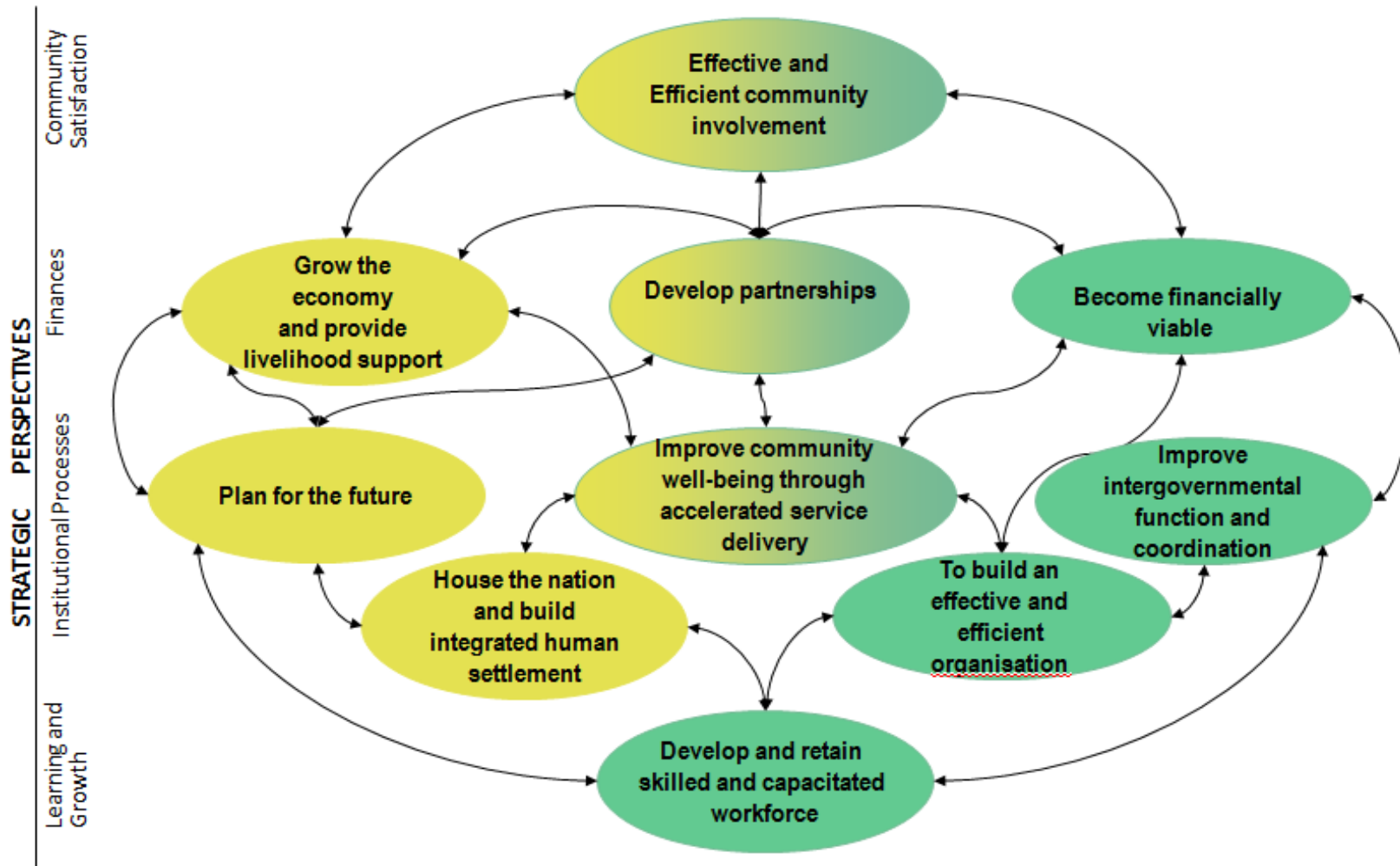
As part of the Balanced Scorecard methodology a strategy map is used to develop a picture of the strategy of the municipality. It depicts the objectives in support of the strategy in terms of different perspectives, namely the learning perspective, institutional perspective, the financial and the customer perspective. This step in strategy formulation acts as the integration of strategy and operational planning. The following are the most important benefits of developing a strategy map:

- It focuses on the most important institutional processes that need to be addressed;
- It combines a growth strategy as well as a productivity strategy to be sustainable;
- It creates a foundation to be innovative;
- It focuses on both the tangible as well as intangible
- The Strategy Map's methodology is aimed to steer away from a sectoral approach to ensure integrated development of the needs of the municipality.

The strategy map leads to the development of Scorecards at different levels that will be used as the management tool whereby planning, implementation, monitoring, review measurement and assessment can be facilitated. This approach aims to ascertain whether the Maruleng Local Municipality has made any progress towards attainment of its strategies and the objectives as identified. A good strategy map focuses on the strategic logic between cause and effect relationships and between current activities and long-term success. The revised strategy map is shown in the picture below:

The strategy map identifies the objectives that Maruleng Local Municipality will aim to achieve. The strategy map clearly indicates the two different strategies - growth and excellence – through the colours used for the different strategic objectives.

## To be the powerhouse of socio-economic development through sustainable and integrated agriculture and tourism



## 6.4 STRATEGIC OBJECTIVES

Using the perspectives of the Balanced Scorecard Methodology, the Strategy Map was developed by focusing on the Learning and Growth Perspective as point of departure:

**Develop and retain skilled and capacitated workforce** – In order for Maruleng Local Municipality to be able to deliver on its constitutional mandate there is a need to put in place a viable and practical workplace skills plan which will in result in the development of a strategy whereby skilled and capacitated employees will enable the municipality to deliver on their objectives and plans. Critical for the municipality is also to retain those employees who have been trained and capacitated and not to lose them to larger municipalities and other sector departments.

Focusing on the above objectives will enable the Municipalities to have a better equipped and capacitated workforce and thereby improve the institutional processes:

- **Plan for the future** – In order for the municipality to achieve its vision, it needs to focus on planning to ensure co-ordination of all sector plans to avoid duplication of efforts and conflicting goals. The planning and implementation cycles within the municipality should be seamlessly integrated and efforts should be focused on to more effectively manage information, including the identification and determination of baseline information and smart application of information to achieve results.
- **Improve community well-being through accelerated service delivery** - In order to become an effective and efficient area, urgent attention needs to be paid to the provision of services (as per the constitutional requirements) to improve the accessibility of services to all members within the municipal area.
- **Build effective and efficient Organisation** – To improve effectiveness and efficiency, standardised policies and procedures need to be established within the municipality. This will lead to open and transparent decision-making and sound governance practices.

Improved effectiveness and efficiency within the municipality will advance the utilisation and allocation of financial resources:

- **Become financially viable** – The municipality needs to improve its financial position to ensure optimal utilisation of financial resources and thereby becoming financially viable to ensure sustainable service delivery to the communities.
- **Develop partnerships** – The municipality will not be able to achieve financial viability on its own. Partnerships will have to be developed with private enterprises, NGO's and other agencies with a view to increasing its financial viability.
- **Grow the economy and provide livelihood support** – As a result of the high unemployment rate within the municipal area, special emphasis should be placed on local economic development and job creation initiatives.

The objectives within the three perspectives discussed above, will lead to addressing the strategic objectives on the community satisfaction and well-being perspective:

- **Effective and efficient community involvement** – The main focus will be on the upliftment of the socio economic status of the communities within the municipal area. Maruleng will work to keep the town one of the safest in the country and to create "an informed, aware and involved community."
- **Improve intergovernmental function and coordination**- The main focus will be on improving intergovernmental relations as some of the services are provided by other spheres of government which will lead in the upliftment of the socio economic status of the communities within the municipal area and the realization of the strategic objective that focuses on “**housing the nation and building integrated human settlement**”.

## 6.5. OUTCOMES

The Department of Co-operative Governance and Traditional Affairs (COGTA) has identified outcomes whereby the Strategic Agenda can be implemented and monitored. Of critical nature for the municipality will be to link its strategic objectives to Outcome 9. The table below provides the detail whereby the strategic objectives of the municipality can be linked to the six outputs or five Key Performance Areas as stipulated by the Department of Co-operative Governance and Traditional Affairs (DCOGTA)

<b>DPLG KPA</b>	<b>Outcome 9</b>	<b>Strategic Objectives</b>
Municipal Transformation and Organisational Development	Implementation of differentiated approach to planning, financing and administration.  Administrative and financial capability	Plan for the future  Develop and retain skilled and capacitated workforce
Basic Service Delivery	Improved access to basic services	Improve Community well-being through accelerated service delivery  House the nation and build integrated human settlement.
LED	Community works programme	Grow the economy and provide livelihood  Develop partnerships
Municipal Financial Viability and Management	Administrative and financial capability	Become financially viable
Good Governance and Public Participation	Deepen democracy through refined ward committee system	Effective and efficient community involvement  Improve intergovernmental function and coordination

## **6.6. OPERATIONAL STRATEGIES**

Section 26 (1) (g) of the Municipal Systems Act (Act 32 of 200) clearly stipulate that the IDP should also contain the operational strategies of the municipality and Maruleng has achieved this by linking programmes implemented within the municipality to the KPA's identified and linked to the Strategic objectives as contained within the strategy map. Council also must be in a position to measure the impact that the programme intends to achieve and this is indicated by the intended programme result as shown in the tables below. This result must further be measured to determine and indicate progress towards the outcome and therefore a column indicating the programme KPI is also included in the table below. The development of a strategy means that the municipality must be able to plan on a longer term and the strategies should provide an indication on how the municipality intends to achieve the results as shown in the table below.

The operational strategies are represented below in terms of the different KPA's as mentioned previously, but due to the fact that the Integrated Development Plan should be implemented within a specific spatial area within the borders of South Africa all of this should be linked to the Spatial Rationale within which planning takes place.



## **SPATIAL RATIONALE**

### ***STRATEGIC OBJECTIVE: PLAN FOR THE FUTURE***

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Formalization of sites	Ensure that sites are formalized	<b>Formalization of sites. Enhance infrastructure planning. Monitor compliance to SDF</b>	<b>Number of sites formalized</b>	<b>Sustainable development</b>
Acquisition of land	Ensure that land is acquired for development	<b>Acquire land and develop land</b>	<b>Number of hectares acquired</b>	<b>Sustainable development</b>
Township establishment/demarcation of sites	Ensure that sites are demarcated	<b>Demarcation of sites and Township establishment</b>	<b>Number of sites demarcated</b>	<b>Sustainable development</b>

## **BASIC SERVICE DELIVERY**

### ***COMMUNITY WELL-BEING THROUGH ACCELERATED SERVICE DELIVERY***

#### **1. WATER AND SANITATION**

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Water and sanitation services	To ensure that all households have access to basic level of water and sanitation	Liaise with Mopani District Municipality to fast track the construction of water and sanitation infrastructure and to replace the ageing infrastructure. Develop strategies and liaise with MDM on how basic water and sanitation will be provided to all households. Implementation of strategies and projects to ensure attainment of the targets for eradication of water and sanitation backlog.	Number increase of households with access to basic water and sanitation	Access to basic level of water and sanitation by all households.

## 2. ELECTRICITY

Programme	Strategic Objectives	Strategies	Programme KPI	Programme Result
Energy	To ensure that all households have access to electricity	Establish status quo on provision of electricity. Develop strategies and liaise with ESKOM on how electricity will be provided to all households Explore alternative means of energy provision	Number of households with access to electricity	All households have access to electricity

## 3. WASTE MANAGEMENT

Programme	Strategic Objectives	Strategies	Programme KPI	Programme Result
Waste Management	Ensure that all households have access to refuse removal	Develop plans to ensure that all households have access to waste removal. Implement plans to provide all households with waste removal Develop and implement cost recovery plans on waste removal	Number increase in households that have access to waste removal	All households have access to waste removal

#### **4. ROADS AND STORM WATER MANAGEMENT**

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Roads and Storm water	To ensure that all roads are upgraded from gravel to tar. To ensure that all roads are well maintained	<b>Development and implementation of road and storm water management systems to assist in managing the provision of road infrastructure. Increased the accessibility of communities through provisioning of sustainable and maintained roads and storm water infrastructure</b>	% increase to access to roads with proper storm water systems	All households have access to roads within the municipal area

#### **TELECOMMUNICATIONS**

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Telecommunications	Ensure that all households have access to telecommunication services	Liaise with all telecommunication stakeholders in order to ensure the provision of communication services	% Increase to access to telecommunications	Informed community

### **FREE BASIC SERVICES**

<b>Free Basic Services</b>	To ensure that all indigent households have access to free basic services	<b>Establish backlog of provision of FBS. Develop and implement strategies on how to deliver FBS. Update indigent register on regular basis</b>	<b>Number increase of indigent households that have access to free basic services</b>	<b>Improve quality of life for all community members</b>
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### **LOCAL ECONOMIC DEVELOPMENT**

*GROW THE ECONOMY AND PROVIDE LIVELIHOOD SUPPORT AND DEVELOP PARTNERSHIPS*

<b>Programme</b>	<b>Sub-Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
LED		To eradicate poverty through LED initiatives	Analyse status quo of local economic develop. Develop strategies/plans to ensure local economic development Implementation, monitoring and review strategies/plans. Labour intensive initiatives	% decrease in unemployment	Employment for all employable community members
	Tourism	To eradicate poverty through tourism initiatives	Intensify functionality of Tourism Forum. Develop tourism strategy and establish partnership with tourism operators Mobilize funding for emerging operatives	Number of jobs created through tourism initiatives	Increased employment through tourism initiatives

	Agriculture	To eradicate poverty through agricultural initiatives	Develop partnerships with agricultural businesses. Develop strategies to assist emerging farmers. Establish partnerships for skills transfer to emerging farmers	Number of jobs created through agricultural initiatives	Increased employment through agricultural initiatives
	Enterprise Development	To eradicate poverty through enterprise initiatives	Development of SMME's and local service provider's support programmes. Establishment of partnerships (PPP) with established businesses and monitor sustainability	Number of jobs created through enterprise development initiatives	Increased employment through enterprise development initiatives
Marketing		To promote the municipality in South Africa and internationally to ensure economic growth	Develop marketing strategies to promote the municipality. Promote the municipality and develop marketing initiatives	% increase in investment in the area	Successful promotion of municipal area. Increased investment

## FINANCIAL VIABILITY

### *BECOME FINANCIALLY VIABLE*

Programme	Strategic Objectives	Strategies	Programme KPI	Programme Result
Expenditure and budget management	To manage the financial affairs of the municipality to ensure financial viability	Draft budget within benchmark set by National Treasury within guidelines from MFMA. Ensure budget is totally aligned to IDP. Implement and maintain of control system to ensure accurate information of the municipal budget.	% decrease in municipal budget variance	Sound financial management
Revenue Enhancement	To increase revenue to become financial sustainable	Implementation of the revenue collection strategy, assess the impact of the strategy. Review revenue collection strategy. Ensure cost recovery and credit control. Implement measures to reduce municipal debt.	Value revenue collected	Improved revenue generation.
MIG expenditure	To ensure optimum utilization of MIG	Forward planning. Monitoring of project plans to ensure that MIG is spent accordingly.	% MIG budget allocation spent	100% MIG spend

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Supply Chain Management	To streamline supply chain processes	Draft supply chain processes and ensure that is equitable and transparent and in line with legislation. Structuring of committees in line with MFMA. Streamline and optimize procedure processes, especially demand. Deliver optimal supply chain management services to all departments in line with their needs	% compliance to SCM policies	Compliance to SCM processes
Asset Management	To manage, maintain and upgrade assets	Updating of asset register in terms of legislation. Conversion of to be GRAP compliant. Ensure that Asset Management Unit is resourced. Keeping asset register updated. Regularly verify office equipment and furniture against asset register.	% Asset GRAP compliant	Increase lifespan of municipal assets
Fleet Management	To ensure that the municipal fleet is managed cost effectively	Review, implementation and monitoring of control measures. Annual review of cost effectiveness of municipal fleet.	% cost effectiveness of fleet management	Increase lifespan of municipal fleet
Investment	Financial mobilization	Implementation of the policy. Ensure that investment is made with credible financial institutions. Proceeds from such investments are utilized for infrastructure development. Continuous investment.	Amount of money generated from investment	Increased financial resources



**GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

**BUILD EFFECTIVE AND EFFICIENT ORGANIZATION**

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Governance and Administration	Corporate governance	Internalized organizational policies and implement council/management decisions timeously. Ensure that identified risks assessment are minimized and addressed. Update existing policies and develop new policies. Enterprise risk assessment annually.	% reduction in audit queries	Clean audit opinion
Information Technology	Ensure integrated risk IT managed environment	Develop and implement IT plans and programmes	% functional of Information Technology system	Effective IT systems

***EFFECTIVE AND EFFICIENT COMMUNITY INVOLVEMENT AND IMPROVE INTER-GOVERNMENTAL FUNCTION***

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Public participation and Ward Committees	To facilitate structured participation in Council participation	Conduct stakeholder analysis. Mobilizing structures. Development of public participation programme. Intensify public participation	# Of structures participating in council activities.	Effective community participation
Intergovernmental Relations	To establish and develop sound inter-governmental relations	Identify and engage prospective partners. Establish status quo on the implementation of critical programmes through IGR structures. Development of corporate Inter-governmental calendar. Evaluate the impact of partnership.	% increase in the sustainable cooperative governance.	Good governance and sustainable partnership

**MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

***PLAN FOR THE FUTURE***

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Planning and development	Ensure planning and development is done according to SDF	Continuous IDP monitoring through PMS. Improve service delivery such that all programmes, projects and initiatives make a positive impact on the communities as per the identified needs and priorities.	The degree to which the municipality programmes, projects and initiatives respond to the needs and priorities of its communities.	Credible IDP

***DEVELOP AND RETAIN SKILLED AND CAPACITATED WORKFORCE***

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Human resource management	Ensure focused and disciplined workforce	Encouraged accountability and responsibility. Develop change and diversity programme	Focused and disciplined workforce	Focused and disciplined workforce
Human resource management:	Ensure that all S54 & 56 Positions are filled	Filling of S54 & 56 positions with 3 months	% of Senior Management positions filled against the total number	Effective and efficient governance
Capacity building and training	Ensure skilled and capacitated workforce	Conduct skills and competency profile. Develop training programmes	% increase in skilled workforce	Skilled workforce
Employment Equity	Ensure compliance to EEP	Appoint people from equity group to three highest level in terms of equity targets	% compliance to EEP. Legal compliance reports (EEA 2 and EEA 4)	Legal compliance.
PMS	To promote accountability and compliance	Conduct regular reporting , assessment and reviews	% Compliance to PMS legislation	Competent and accountable workforce

***DEVELOP AND RETAIN SKILLED AND CAPACITATED WORKFORCE***

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Occupational Health Safety	To ensure safe working environment	Develop and implement OHS programme	Reduction of number of incidents to 1%.	Healthy and safer working environment
Labour Relations	Ensure sound labour relations	Functional and effective Local Labour Forum	% functionality and effectiveness of the forum	Sound labour relations
Legal Services: contracts management	Ensure that the municipality has SLA with all service providers	Conclude SLA with all service providers within 14 days	% of SLA signed within 14 days of the agreement.	Effective and efficient organization

SPECIAL PROGRAMMES OF COUNCIL

<b>Programme</b>	<b>Strategic Objectives</b>	<b>Strategies</b>	<b>Programme KPI</b>	<b>Programme Result</b>
Youth Development	Ensure quality of life for youth through national, provincial, municipal and other initiatives	Intensify the involvement of youth in these initiatives and programmes	% increase in participation by youth in municipal initiatives and mainstream programmes	Increased participation by youth in municipal initiatives and mainstream programmes
Disability Development	Ensure the quality of life of people with disability	Intensify the involvement of people with disability in these initiatives and programmes	% increase in participation by people with disability in municipal initiatives and mainstream programmes	Improved quality of life for people with disability
Gender Development	To ensure that gender equality is promoted through government initiatives	Intensify the support and promotion of gender equality in the municipality	% increase in participation of communities in gender municipal initiatives and mainstream programmes	Increased gender equality
Programme for the Elderly	Ensure that elderly people are taken care	Support and promotion of elderly programmes	% increase in participation by elderly in municipal initiatives and mainstream programmes	Improved lifespan of the elderly

## SOCIAL SERVICES

Programme	Strategic Objectives	Strategies	Programme KPI	Programme Result
Housing	Ensure that all households have access to proper and safer housing	Establish status quo of housing in the municipality. Liaise with COGHSTA to eradicate housing	Number increase of households that have access to at least RDP standard housing	All households live in at least RDP standard of housing
Sports, Arts and Culture	To ensure a mental and physical health nation	Develop SAC programmes Liaise with Department of SAC in coordination of programmes	Number of people participating in SSAC activities	Mental and physical fit community members
Education	Ensure the provision of educational facilities	Liaise with the Department of Education to provide requisite educational facilities	% decrease in educational facilities backlog	Educated nation
Safety and security: rate of crime	Ensure the safety of the community and visitors	Liaise with the Department of Safety and security to provide personnel and facilities and implementation of safety programmes.	% reduction in crime in the municipality	Safety and secure society
Health Services	Ensure accessible and affordable health services	Liaise with the Department of Health to provide health services	Number increase of health facilities in the municipality	Healthy nation
Social Development Services	Ensure accessibility of social development services	Liaise with the Department of Social Development to provide health services	Number increase of beneficiaries in social development initiatives	A caring nation

## DISASTER MANAGEMENT AND ENVIRONMENTAL MANAGEMENT

Programme	Strategic Objectives	Strategies	Programme KPI	Programme Result
Environmental Health Management	To provide a safe, healthy and sustainable environment	Development and implementation of environmental policies. Total environmental quality management	% reduction in pollution	A safe and healthy living environment for community members
Disaster Management: Disaster Risks	To prevent loss of life lives and infrastructure damages due to disasters	Implementation of Disaster Risk Management Strategy. Ensure that identified risks are included in the plan and preparedness according to RDMP.	% reduction of community members affected by disasters.	Safe and secure society

## 7. PROJECT PHASE

This phase involves the design and specifications of projects identified in the strategy phase by proving clear target to measure performance and impact of the project , timeframe, responsible agent to manage the project , cost implication of the project and the who will be funding the projects

### 7.1SPATIAL RATIONALE

#### PRIORITY ISSUES: SDF, Sites demarcation and formalization, LUMS and GIS

PROJECT NAME	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAME WORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Review of SDF	Maruleng municipal area	600,000	-	-	DRDLR
Site demarcation	The Willows' (300 sites)	250,800	-	-	COGHSTA
Formalization of sites	Metz (500 sites)  The Oaks (500 sites)	836,000	-	-	COGHSTA
Update of LUMS	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng municipality
Update of GIS	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng municipality



## **7.2 BASIC SERVICE AND INFRASTRUCTURAL DEVELOPMENT**

### **Priority Issues: Water & Sanitation**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Hoedspruit bulk water supply	Hoedspruit (2065hh)	20,000,000	-	-	Mopani District Municipality
Upgrading of water reticulation and extension	Maruleng municipal area (33 villages)	25,000.000	-	-	Mopani District Municipality
Kampersrus bulk water supply	kamperarus (214 hh)	15,000,000			Mopani District Municipality
Mametja Sekororo RWS	Maruleng municipal area	45,689,000	-	-	Mopani District Municipality
Hoedspruit sewage plant	Hoedspruit (2065hh)	15,000,000			Mopani District Municipality
Kampersrus sewage plant	kamperarus (214 households)	15,000,000	-	-	Mopani District Municipality
Mopani Rural Households Sanitation	Maruleng municipal area				Mopani District Municipality

**Priority Issues: Roads, storm water & bridges**

PROJECT NAME	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Rita/Tickeyline to Burgersdorp to Julesburg/Rhulani to Hoveni to Balloon to Sekororo (gravel to tar:38km)	Balloon-Moshate	43,000,000	10,000,000	-	RAL
Bridge construction	Kampersus/Klaseria road	Conditional grant	-	-	RAL
Hlohlokwe access ring road	Hlohlokwe	6,600,000	3,400,000	600,000	Maruleng municipality
Turkey 03-04 ring road	Turkey 03-04	5,500,000	437,000	0.00	Maruleng municipality
Turkey 02 access road	Turkey 02	400,000	0.00	3,143,181	Maruleng municipality
Metz internal streets	Metz	6,600,000	3,400,000	600,000	Maruleng municipality

**Priority Issues: Roads, Storm water & Bridges    Conti...)**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Metz- Bismarck road	Metz-Bismarck	<b>7 100 000</b>	<b>0.00</b>	<b>0.00</b>	MDM
Rehabilitation of Hoedspruit main streets	Hoedspruit	750,000	<b>750,000</b>	<b>1,500,000</b>	Maruleng municipality
Maruleng low level bridges	Maruleng municipal area	3,000,000	<b>700,000</b>	<b>1,500,000</b>	Maruleng municipality
Lorraine storm water management	Lorraine	266,280.54	<b>0.00</b>	<b>0.00</b>	Maruleng municipality
Lorraine-Bellvile road	Lorraine-Bellvile	0.00	<b>0.00</b>	<b>5,000,000</b>	Maruleng municipality
The Oaks internal streets	The Oaks	0.00	<b>0.000</b>	<b>5,097.000</b>	Maruleng municipality
Sofaya main road	Sofaya	0.00	<b>0.000</b>	<b>400,000</b>	Maruleng municipality
Sedawa access road	Sedawa	0.00	<b>0.000</b>	<b>400,000</b>	Maruleng municipality

**Priority Issues: Maintenance and Repairs**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Rehabilitation of the main offices	Hoedspruit	1,500,000	75,000	1,500,000	Maruleng municipality
Traffic station	Hoedspruit	1,135,000	0.00	0.00	Maruleng municipality
Roads & bridges	Maruleng municipal area	210,600	220,919	231,744	Maruleng municipality
Buildings	Maruleng municipal area	315,900	331,379	347,616	Maruleng municipality
Parks & gardens	Maruleng municipal area	105,300	110,459	115,872	Maruleng municipality
Street lighting	Maruleng municipal area	150,000	157,350	165,060	Maruleng municipality
Machines (Grade, TLB & Truck	Maruleng municipal area	526,500	552,298	579,361	Maruleng municipality

**Priority Issue: Electricity.**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Electrification (175 units)	Makgaung (20 units)	R 270,000.00	-	-	ESKOM
	Sofaya (21 units)	R 283,600.00	-	-	
	Worcester (40 units)	R 640,000.00	-	-	
	Willows (60 units)	R 810,000.00	-	-	
	Sedawa (34 units)	R 469,000.00	-	-	
FBE	Maruleng municipal area	631,800.00	662,758	695,233	Maruleng municipality

**Priority Issue: Waste management**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Rehabilitation of Kampersrus landfill site	Kampersrus	2,000,000	2,098,000	2,200,802	Maruleng Municipality
Refuse removal	Maruleng municipal area	2,316,600	2,430,113	2,549,188	Maruleng Municipality

**Priority Issues: Recreation & other facilities**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Willows sports field(community hall included)	The Willows	3,397,000	1,500,000	500,000	Maruleng Municipality
Maruleng indoor sports centre	Show ground	6,063,719.46	3,144.543	4,811,818	Maruleng Municipality
Bochabelo community hall	Bochabelo	400,000	2,956,818	0.00	Maruleng Municipality
Butswana community hall	Butswana	400,000	2,956,818	0.00	Maruleng Municipality
Moshate community hall	Moshate	-	3,800,000	0.00	Maruleng Municipality
Turkey 3 community hall	Turkey 3	400,000	2,956,818	0.00	Maruleng Municipality
Fencing of cemeteries	Maruleng municipal area	1,233,000	1,500,000	1,500,000	Maruleng Municipality

**Priority Issues: Other Basic Services**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Office furniture	Municipality Offices	450,000	472,050	495,180	Maruleng Municipality
Soft Ware	Municipality Offices	200,000	209,800	220,080	Maruleng Municipality
Server Upgrade	Municipality Offices	800,000	0.00	0.00	Maruleng Municipality
Server room upgrade	Municipality Offices	150,000	157,350	165,060	Maruleng Municipality
Vehicles	Municipality Offices	800,000	800,000	1,200,000	Maruleng Municipality
Two-way radios	Municipality Offices	150,000	157,350	165,060	Maruleng Municipality

### **7.3 LOCAL ECONOMIC DEVELOPMENT**

#### **Priority Issues: Economic Development**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
K2C Support	Hoedspruit	150,000	157,350	165,060	Maruleng Municipality
LED Programmes	Maruleng municipal area	300,000	314,700	330,120	Maruleng Municipality
The Oaks information centre	The Oaks	10,000,000	0.00	0.00	DEAT
Job creation	Maruleng municipal area	Various	Various	Various	Maruleng Municipality
Tourism	Maruleng municipal area	550,000	576,950	605,220	Maruleng Municipality
EPWP	Maruleng municipal area	1,000,000	0.00	0.00	DROT



**Local Economic Development (Cont...)**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Market stalls	Hoedspruit	250,000	0.00	0.00	Maruleng Municipality
Signage and Branding	Hoedspruit	600,000	0.00	0.00	Maruleng Municipality
Sedawa Women Cooperative Empowerment	Sedawa	100,000	30,000	0.00	MDM
Shopping complex	Metz	Private	Private	Private	Private
Land-care (veld management)	Moletete CPA	811,000	-	-	LDA
MD Letebele Farming Enterprise (installation of irrigation schemes)		2,000,000	-	-	LDA
Leboho (installation of irrigation schemes)		2,000,000	-	-	LDA
LC Mohlala (shade net)		98,000	-	-	LDA
RR Mametja (goat kraal)		17,500	-	-	LDA
CT Chiloane (fencing)		93,000	-	-	LDA

## **7.4. FINANCIAL VIABILITY**

### **Priority Issues: Financial Management**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Updating financial management systems	Maruleng municipal area	890,000	934,000	967,000	Treasury
Supplementary valuation roll (2012/2013)	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
Revenue enhancement	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
Asset & inventory management	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
MFMA implementation	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
Supply chain management	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
MIG Expenditure	Maruleng municipal area	28,647,00.00	25,320,000	26,578,000	Maruleng Municipality
Fleet management	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality

## 7.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### Priority Issues: Governance and Public Participation

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Communication	Maruleng municipal area	52,650.00	55,2229.85	57,936.11	Maruleng Municipality
External auditing	Maruleng municipal area	1,800,000	1,888,200	1,980,721	Maruleng Municipality
Internal auditing	Maruleng municipal area	430,000	451,070	473,172	Maruleng Municipality
Publication & Newspapers	Maruleng municipal area	157,950.00	165,689	173,808	Maruleng Municipality
Functions (Events & protocol)	Maruleng municipal area	2,357,081.53	2,472,578	2,593,734	Maruleng Municipality
Ward committees support	Maruleng municipal area	1,969,110.00	2,065,596	2,166,810	Maruleng Municipality
Mayoral bursary fund	Maruleng municipal area	368,550.00	386,608	405,552	Maruleng Municipality
Council function & support	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
Local Managers Forum	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
Traditional Leaders Allowance	Maruleng municipal area	10,530.00	11,045.00	11,587.22	Maruleng Municipality

## 7.6 MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
IDP Review	Maruleng municipal area	200,000.00	209,800	220,080	Maruleng Municipality
IDP/PMS strategic planning session	Maruleng municipal area	200,070.00	209,873	220,157	Maruleng Municipality
PMS	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
Policy development, by-laws & reviews	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
IT Equipments	Maruleng municipal area	347,490.00	364,517.01		Maruleng Municipality
HR management	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality
Legal services	Maruleng municipal area	150,000	157,350	165,060	Maruleng Municipality
Skills Development	Maruleng municipal area	479,998.93	503,983	528,678	Maruleng Municipality
OHS	Maruleng municipal area	126,360.00	132,551	139,046	Maruleng Municipality
Payroll Management	Maruleng municipal area	37,889,013.43	44,889,034	46,768,980	Maruleng Municipality
Labour Relations	Maruleng municipal area	OPEX	OPEX	OPEX	Maruleng Municipality

## **7.7 COUNCIL SPECIAL PROGRAMMES (Events & Protocol Breakdown)**

### **Priority Issues: Special Programmes**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Women's day	Maruleng municipal area	70,000	80,000	80,000	Maruleng Municipality
Elderly	Maruleng municipal area	120,000	140,000	140,000	Maruleng Municipality
16 Days of activism	Maruleng municipal area	70,000	80,000	80,000	Maruleng Municipality
HIV/AIDS programmes	Maruleng municipal area	220,000	240,000	240,000	Maruleng Municipality
SAWID	Maruleng municipal area	70,000	80,000	80,000	Maruleng Municipality
Christmas party	Maruleng municipal area	120,000	140,000	140,000	Maruleng Municipality
Gender Programme	Maruleng municipal area	70,000	80,000	80,000	Maruleng Municipality
Disability month	Maruleng municipal area	120,000	140,000	140,000	Maruleng Municipality
Women month's programme	Maruleng municipal area	100,000	120,000	120,000	Maruleng Municipality
New born baby	Maruleng municipal area	15,000	20,000	20,000	Maruleng Municipality
Awards to best performing schools	Maruleng municipal area	120,000	140,000	140,000	Maruleng Municipality
Maruleng youth programme	Maruleng municipal area	520,000	550,000	570,000	Maruleng Municipality
Greening	Maruleng municipal area	220,000	240,000	260,000	Maruleng Municipality

## **7.8 SOCIAL SERVICES**

### **Priority Issues: Social Services Programmes**

<b>PROJECT</b>	<b>PROJECT LOCATION</b>	<b>MEDIUM TERM EXPENDITURE FRAMEWORK</b>			<b>IMPLEMENTING AGENT</b>
		<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	
Arts & culture support programmes	Maruleng municipal area	120,000	140,000	160,000	Maruleng Municipality
Children rights council	Maruleng municipal area	70,000	90,000	110,000	Maruleng Municipality
Education summit	Maruleng municipal area	120,000	140,000	160,000	Maruleng Municipality
Educational Awareness campaign on waste Management	Maruleng municipal area	70,000	80,00	90,000	Maruleng Municipality
Mayoral Sports tournament	Maruleng municipal area	320,000	350,000	380,000	Maruleng Municipality
Career guidance	Maruleng municipal area	120,000	140,000	160,000	Maruleng Municipality
Golden Games(aged)	Maruleng municipal area	100,000	110,000	120,000	MDM

### **7.9 Social Services (Conti...)**

<b>PROJECT</b>	<b>PROJECT LOCATION</b>	<b>MEDIUM TERM EXPENDITURE FRAMEWORK</b>			<b>IMPLEMENTING AGENT</b>
		<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	
Hoedspruit secondary school	Hoedspruit	4,900,000	-	-	Department of Education
Storm damaged schools	Various areas	-	-	-	Department of Education
Leoma secondary (upgrade & additions)	Finale	-	4,535,000	-	Department of Education
Mantsobele secondary (upgrade & additions)	Lorraine	-	5,412,000	-	Department of Education
Lepelle Primary (upgrade & additions)	The Willows	-	900,000	-	Department of Education

### 7.9 Social Services (Conti...)

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Rural Housing (441 houses)	Molalane – 44 houses	14,533,000.00	-	-	COGHSTA
	Mabins/Ga- 30 houses		-	-	
	Makgaung- 30 houses		-	-	
	Metz- 40		-	-	
	Sofaya- 30		-	-	
	Madeira- 40		-	-	
	Balloon- 30		-	-	
	Moshate- 135		-	-	
	Hlohlokwe- 40		-	-	
	Calais- 22		-	-	



### **7.9 Disaster Risk Management**

PROJECT	PROJECT LOCATION	MEDIUM TERM EXPENDITURE FRAMEWORK			IMPLEMENTING AGENT
		2013/2014	2014/2015	2015/2016	
Disaster Risk Management (DRM) awareness campaigns	Maruleng municipal area	450,000.00	472,050	495,180	Maruleng Municipality
Review of the DRM Plan					Maruleng Municipality
DRM strategic planning session					Maruleng Municipality

## **8: FINANCIAL PLAN**

### **8.1. Budget Summary**

The Maruleng budget is MFMA complaint but the municipality needs to address its financial challenges on the following basis:

- Ensuring that the systems introduced continuously improved during the year
- Preserving the municipality's cash flow position
- Introducing efficiency measures to provide resources to ensure value for money for taxpayers.
- Further enhancing public participation in the next budget cycle
- Continuing to improve on information provided to decision makers
- Ensuring that growth in services is more closely aligned with citizen's expectations

The tables below give comparative analysis of the previous MEF Cycle, current year as well as the next Cycle in terms of:

- ❖ Financial Performance
- ❖ Revenue and Expenditure by Source
- ❖ Capital Expenditure
- ❖ Revenue and Expenditure by Municipal Vote
- ❖ Capital Expenditure Program per Vote

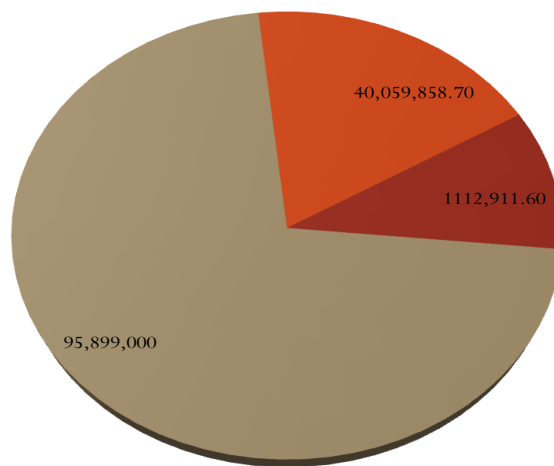
<b>SCHEDULE 1</b>  <b>REVENUE BY SOURCE</b>	<b>Budget Year 2012/13</b>		<b>Budget Year 2013/14</b>	<b>Budget Year +1 2014/15</b>	<b>Budget Year +2 2015/16</b>
	<b>Approved Budget</b>	<b>Adjusted Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
	<b>R'000</b> <b>B</b>	<b>R'000</b> <b>C</b>	<b>R'000</b> <b>E</b>	<b>R'000</b> <b>F</b>	<b>R'000</b> <b>F</b>
Operating Revenue by Source					
Property rates	12,000,000	12,000,000	12,612,000	13,229,998	13,878,257
Service charges - refuse removal from tariff billings	2,207,722.72	2,208,000	2,320,608	2,434,317.79	2,553,599
Service charges – clearance certificates	61,239.85	62,000	65,162	68,354.94	71,704
Service charges – library	4,366.26	2,500	2,627.50	2,756.25	2,891.30
Service charges – building plans	285,743.09	290,000	304,790.00	319,724.71	335,391.22
Service charges –town planning fees	22,914.64	30,000	31,530.00	33,074.97	34,695.64
Rental of facilities and equipments	310,120.32	296,600.00	311,726.60	327,001.20	343,024.26
Interest earned-external investments	750,000	800,000.00	840,800.00	881,999.20	925,217.16
Interest earned - outstanding debtors	107,400.00	107,400.00	112,887.40	118,408.39	124,210.40

Income from sale of Transnet houses	3,575,000.00	1,500,000.00	2,075,000.00	-	-
Traffic motor licensing (80%)	7,481,850.62	6,000,000.00	6,306,000.00	6,614,994.00	6,939,128.71
Traffic learners	-	3,000,000.00	3,153,000.00	3,307,497.00	3,469,564.35
Tender documents	127,080.00	150,000.00	157,650.00	165,374.85	173,478.22
SETA Training Refund	173,466.24	150,000.00	157,650.00	165,374.85	173,478.22
VAT refunds	3,500,000.00	3,500,000.00	3,678,500.00	3,858,746.50	4,047,825.08
Rental sign boards	37,809.48	37,809.48	39,737.26	41,684.38	43,726.92
Insurance refund	2,700,000.00	409,246.31	-	-	-
Income from accumulated funds	13,000,000.00	9,550,000.00	7,680,000.00	5,359,900.00	2,000,000
Government grants & subsidies	91,987,000.00	95,157,756.83	95,899,000.00	99,956,000.00	122,360,000
Traffic fines	139,444.88	200,000.00	210,200.00	220,499.80	231,304.29
Mopani - operation and maintenance	1,841,006.07	41,300.00	112,991.60	118,859.51	125,316.29
<b>Total Revenue By Source</b>	<b>140,312,155.16</b>	<b>135,492,612.14</b>	<b>136,071,770.36</b>	<b>137,224,592.75</b>	<b>132,286,435.12</b>

<b>BREAK DOWN OF GOVERNMENT GRANTS</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
EQUITABLE SHARE	60,742,000	71,900,000	92,865,000
FMG GRANT	1,650,000	1,800,000	1,950,000
MISG GRANT	890,000	934,000	967,000
MIG GRANT	28,647,000	25,322,000	26,578,000
EPWP	1,000,000	-	-
NATIONAL DISASTER FUND	3,000,00	-	-
<b>TOTAL GRANTS</b>	<b>95,899,000</b>	<b>99,956,000</b>	<b>122,360,000</b>

## BUDGET 2013/2014 (SOURCES)

Own Revenue	Grants	Mopani DM operation & maintenance)	TOTAL
40,059,858.70	95,899,000.00	112,911.60	136,071,770



EXPENDITURE	Final budget 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
		Budget	Budget
	R'000	R'000	R'000
<b>Salaries &amp; Wages:Management and Staff</b>			
SALARIES & WAGES	26,716,970.64	30,060,171.74	31,984,022.73
PENSION	5,767,983.36	6,831,074.63	7,268,263.41
BONUS STAFF	1,835,342.33	2,197,702.18	2,338,355.12
TRAVELLING ALLOWANCE	1,417,887.95	1,489,955.28	1,585,312.42
HOUSING ALLOWANCE	63,672.00	80,016.00	85,137.02
MEDICAL AID	1,361,011.36	1,460,387.36	1,553,852.15
INDUSTRIAL COUNCIL LEVY	10,210.20	11,826.91	12,583.83
CELLPHONE ALLOWANCE	416,340.00	467,240.00	497,143.36
LONG SERVICES	118,478.19	214,000.00	227,696.00
TERMINATION LEAVE	300,000.00	547,000.00	582,008.00
UIF	192,334.40	211,067.32	224,575.63
SKILLS DEVELOPMENT LEVY	266,057.25	299,311.08	318,466.99
OVERTIME	460,000.00	870,000.00	925,680.00
TRAVELLREIMBURSEMENT	1,350,000.00	1,500,000.00	1,596,000.00
PERFOMANCE BONUS	407,580.84	713,266.42	758,915.47
SUBSISTANCE	150,000.00	150,000.00	159,600.00
<b>TOTAL</b>	<b>40,833,868.52</b>	<b>47,103,018.92</b>	<b>50,117,612.13</b>

<b>Salaries &amp; Wages:Councillors</b>			
SALARIES & WAGES	4,390,138.00	4,994,083.00	5,313,704.31
PENSION	773,994.00	887,408.00	944,202.11
TRAVELLING ALLOWANCE	1,860,393.00	1,972,017.00	2,098,226.09
MEDICAL AID	34,560.00	34,560.00	36,771.84
SKILLS DEVELOPMENT LEVY	47,428.81	47,428.81	50,464.25
TRAVEL REIMBURSEMENT	1,000,000.00	1,000,000.00	1,064,000.00
TRAVEL & SUBSISTANCE	20,000.00	20,000.00	21,280.00
CELLPHONE ALLOWANCE	480,072.00	624,094.00	664,036.02
<b>TOTAL</b>	<b>8,606,585.81</b>	<b>9,579,590.81</b>	<b>10,192,684.62</b>
<b>Repairs and Maintenance</b>			
BUILDINGS	315,900.00	331,379.10	347,616.68
MAINTANACE MACHINES (GRADER,TLB. Truck	526,500.00	552,298.50	579,361.13
MAINTANANCE - SPEED MACHINE	10,530.00	11,045.97	11,587.22
MAINTANANCE - TWO WAY RADIO	30,000.00	35,000.00	36,715.00
VEHICLES	347,490.00	364,517.01	382,378.34
LAWN MOWER, BUSH CUTTER	5,265.00	5,522.99	5,793.61
MAINTENANCE( PARKS AND GARDENS)	105,300.00	110,459.70	115,872.23
MAINTENANCE( ROADS & BRIDGES)	526,500.00	552,298.50	579,361.13
MAINTANANCE - STREETLIGHTS	150,000.00	157,350.00	165,060.15
<b>TOTAL</b>	<b>2,017,485.00</b>	<b>2,119,871.77</b>	
<b>General</b>			
ACCOMODATION	950,000.00	996,550.00	1,045,380.95
ADVERTISING	379,080.00	397,654.92	417,140.01
AUDIT FEES	1,800,000.00	1,888,200.00	1,980,721.80



BANK CHARGES	198,597.48	208,313.40	218,520.76
BATHO PELE	60,000.00	62,940.00	66,024.06
BAD DEBTS	3,685,500.00	3,866,089.50	4,055,527.89
AMMUNITION	2,106.00	2,209.19	2,317.44
BOOKS AND PUBLICATIONS	0.00		0.00
BURSARY FUND	368,550.00	386,608.95	405,552.79
COMMUNICATION(FORUM AND STRATEGIC RE)	52,650.00	55,229.85	57,936.11
COMPENSATION COMMISSIONER	210,600.00	220,919.40	231,744.45
COMPUTER EXPENSES	20,530.00	21,535.97	22,591.23
CONFERENCE REGISTRATION FEE	210,600.00	220,919.40	231,744.45
DEPRECIATION	5,791,500.00	6,075,283.50	6,372,972.39
DISASTER MANAGEMENT(CAMPAIGNS TO FUNC)	450,000.00	472,050.00	495,180.45
ELECTRICITY COSTS	1,421,550.00	1,491,205.95	1,564,275.04
FINANCE CHARGES	73,710.00	77,321.79	81,110.56
FREE BASIC ELECTRICITY	631,800.00	662,758.20	695,233.35
FUEL	1,263,600.00	1,325,516.40	1,390,466.70
FUNCTIONS( EVENTS AND PROTOCOL)	2,357,081.53	2,472,578.53	2,593,734.87
IDP REVIEW	200,000.00	209,800.00	220,080.20
INSURANCE	452,790.00	474,976.71	498,250.57
INTERNAL AUDIT	430,000.00	451,070.00	473,172.43
K2C SUPPORT	150,000.00	157,350.00	165,060.15
TOURISM	550,000.00	576,950.00	605,220.55
LED PROGRAMMES	300,000.00	314,700.00	330,120.30
LEGAL CHARGES	150,000.00	157,350.00	165,060.15
LICENSE - VEHICLE	31,590.00	33,137.91	34,761.67
LOCAL MANAGERS FORUM	0.00	0.00	0.00
MEMBERSHIP FEE - salga, sped and ohs	445,945.50	467,796.83	490,718.87
MACHINE RENTAL ( PHOTO COPIES )	406,458.00	426,374.44	447,266.79
OHS	126,360.00	132,551.64	139,046.67
POSTAGE AND COURIER	31,590.00	33,137.91	34,761.67

PRINTING AND STATIONERY	421,200.00	441,838.80	463,488.90
PROFESSIONAL FEE'S	2,482,145.84	3,393,970.99	3,560,275.57
PROMOTIONAL MATERIAL	52,650.00	55,229.85	57,936.11
PROTECTIVE CLOTHING	336,960.00	353,471.04	370,791.12
PUBLICATION & NEWSPAPER	157,950.00	165,689.55	173,808.34
REFRESHMENTS & catering	263,250.00	276,149.25	289,680.56
REFUSE	2,316,600.00	2,430,113.40	2,549,188.96
REHABILITATION OF LANDFILL KAMPERSRUS	2,000,000.00	2,098,000.00	2,200,802.00
SECURITY SERVICES	4,054,050.00	4,252,698.45	4,461,080.67
SITE WALKS LITTER BINS	100,000.00	0.00	0.00
SKILLS DEVELOPMENT	479,998.93	503,983.08	528,678.25
SUBSCRIPTION	0.00	0.00	0.00
STORES AND MATERIAL	361,179.00	378,876.77	397,441.73
STRATEGIC PLANNING	200,070.00	209,873.43	220,157.23
TELEPHONE	631,800.00	662,758.20	695,233.35
TRADITIONAL LEADERS ALLOWANCE	10,530.00	11,045.97	11,587.22
TRAFFIC EXPENSE	5,054,400.00	5,302,065.60	5,561,866.81
WARD COMMITTEE	1,969,110.00	2,065,596.39	2,166,810.61
<b>TOTAL</b>	<b>44,094,082.28</b>	<b>46,940,441.16</b>	<b>49,240,522.78</b>
<b>TOTAL OPERATING BUDGET</b>	<b>95,552,021.61</b>	<b>105,742,922.66</b>	<b>111,774,565.01</b>

## EXPENDITURE (OPERATING)

Salaries (Staff)	Salaries (Councillors)	Repairs & Maintenance	General Expenses	TOTAL
40,833,868.52	8,606,585.00	2,071,485.00	44,094,082.28	95,552,021.28

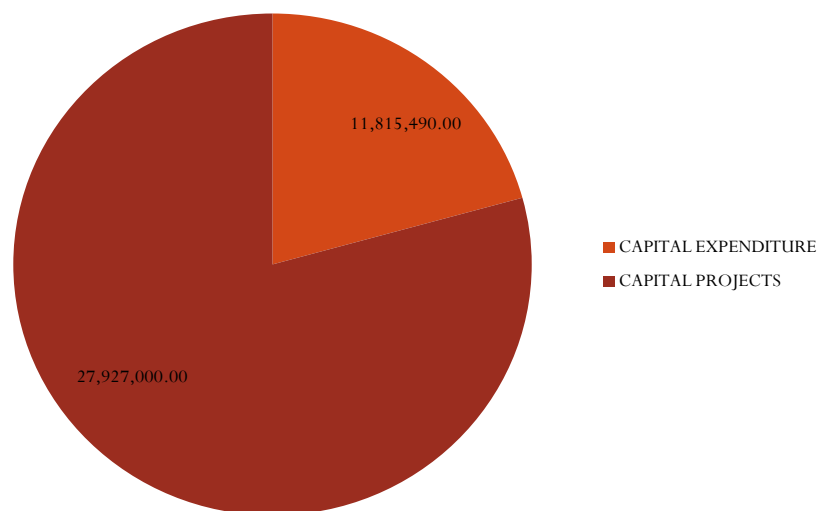
	<b>BUDGET 2013/14</b>	<b>2012/2013</b>	<b>2013/2014</b>
<b>CAPITAL EXPENDITURE BY VOTE</b>	<b>2012/2013</b>		
A2 PHOTOCOPY & SCANNER	0.00	0.00	0.00
AIR CONDITIONERS	0.00	0.00	230,000.00
ARMS	0.00	0.00	200,000.00
BUSH CUTTER	0.00	0.00	0.00
EQUIPMENTS	0.00	0.00	50,000.00
ENEGY SAVING PLAN	0.00	0.00	0.00
IT EQUIPMENT	347,490.00	414,235.24	434,532.77
OFFICE FURNITURE	450,000.00	472,050.00	495,180.45
SOFTWARE	200,000.00	209,800.00	220,080.20
SERVER UPGRADE	800,000.00	0.00	200,000.00
SERVER ROOM UPGRADE	150,000.00	157,350.00	110,000.00
VEHICLES	800,000.00	800,000.00	1,200,000.00
WASHING BAY	0.00	0.00	0.00
TWO-WAY RADIOS (TRAFFIC AND TECHNICAL SERVICES)	150,000.00	157,350.00	165,060.15
<b>TOTAL CAPITAL BUDGET</b>	<b>2,897,490.00</b>	<b>2,210,785.24</b>	<b>3,304,853.57</b>
	<b>FINAL BUDGET</b>		
<b>CAPITAL PROJECT - OWN FUNDING</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>
FENCES FOR CEMETRIES	1,233,000.00	1,500,000.00	1,200,000.00
EXTENSION STAND-BY ROOMS & ABLUTION FACILITY AND CHANGE ROOM	450,000.00	0.00	0.00
TRAFFIC STATION	1,135,000.00	0.00	0.00
MARULENG LOW LEVEL BRIDGES	3,000,000.00	700,000.00	1,500,000.00
REHABILITATION OF HOEDSPRUIT	750,000.00	750,000.00	1,500,000.00

MAIN STREET			
REHABILITATION OF MUNICIPAL OFFICES	1,500,000.00	0.00	
ELECTRIFICATION OF METZ VILLAGE	0.00	0.00	
HOEDSPRUIT MARKET STALLS	250,000.00	0.00	
SIGNAGE AND BRANDING - HOEDSPRUIT TOWN	600,000.00	0.00	
<b>CAPITAL PROJECT - OWN FUNDING</b>	<b>8,918,000.00</b>	<b>2,950,000.00</b>	<b>4,200,000.00</b>
	<b>FINAL BUDGET</b>		
<b>CAPITAL PROJECT - MIG FUNDED</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>
HOEDSPRUIT STORMWATER MANAGEMENT	0.00	0.00	0.00
MADEIRA INTERNAL STREET			
LORRAINE STORMWATER MANAGEMENT	266,280.54	0.00	0.00
MAHLOMELONG SURFACING OF ACCESS ROAD	0.00	0.00	0.00
MAKGAUNG STORMWATER MANAGEMENT	0.00	0.00	0.00
RAKGOLOKWANE ENABLE ACCESS ROAD	0.00	0.00	0.00
TURKEY 03 04 RING ROAD	5,200,000.00	437,000.00	0.00
TURKEY 02 ACCESS ROAD	250,000.00	0.00	3,143,181.27
TURKEY GA-FANNIE ACCESS ROAD	0.00	0.00	0.00
WILLOWS SPORTS FIELD	3,397,000.00	1,500,000.00	500,000.00
MARULENG INDOOR SPORT CENTRE	6,063,719.46	3,144,543.81	4,811,818.73
HLOHLOKWE ACCESS ROAD PHASE 2	6,000,000.00	3,400,000.00	600,000.00
LORRAINE BELLVILE ROAD	0.00	0.00	5,000,000.00
METZ INTERNAL STREETS	6,000,000.00	3,400,000.00	600,000.00

BOCHABELO COMMUNITY HALL	250,000.00	2,956,818.73	0.00
BUTSWANA COMMUNITY HALL	250,000.00	2,956,818.73	0.00
MOSHATE COMMUNITY HALL	0.00	3,800,000.00	0.00
THE OAKS INTERNAL STREET	0.00	0.00	5,097,000.00
SOFAYA MAIN ROAD	0.00	0.00	400,000.00
SEDAWA ACCESS ROAD	0.00	0.00	4,000,000.00
KAMPERSRUS INTERNAL STREET	0.00	0.00	1,602,000.00
TURKEY 3 COMMUNITY HALL	250,000.00	2,956,818.73	0.00
<b>CAPITA PROJECT - MIG</b>	<b>27,927,000.00</b>	<b>24,552,000.00</b>	<b>25,754,000.00</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>39,742,490.00</b>	<b>29,712,785.24</b>	<b>33,258,853.57</b>
<b>TOTAL BUDGET</b>	<b>135,294,511.61</b>	<b>135,455,707.90</b>	<b>145,033,418.58</b>
<b>SURPLUS</b>	<b>777,258.40</b>		

## EXPENDITURE (CAPITAL)

CAPITAL EXPENDITURE	MIG	TOTAL
11,815,490.00	27,927,000.00	39,742,490.



## **9: INTEGRATION**

### **INTRODUCTION**

THE MAJOR OUT OF THIS SECTION IS INTEGRATION OF PLANS AND PROGRAMMES:

#### **9.1. OVERVIEW OF THE SECTOR PLANS**

#### **9.2. AN INTEGRATED SPATIAL DEVELOPMENT FRAMEWORK**

##### **Legislative imperative**

Municipal Systems Act, 32 of 2000) requires a municipality to compile a Spatial Development Framework (SDF) for its area of jurisdiction to serve as a core component of its IDP.

In addition to the aforementioned Act, the formulation of a SDF for a municipal area is also guided by the following:

- Municipal Planning and Performance Management Regulations, 2001
- White Paper on Spatial Planning and Land Use Management, 2001

##### **The Municipal SDF together with the IDP must:**

- Give effect to the principles contained in chapter 1 of the Development Facilitation Act, 1995
- Set out objectives that reflect that desired spatial form of the municipality
- Contain strategies and policies regarding the manner in which to achieve the objectives referred to, which strategies and policies must:
- Indicate the desired patterns of land use within the municipality
- Address the spatial reconstruction of the location and nature of development within the municipality
- Provide strategic guidance in respect of the location and nature of development within the municipality
- Set out basic guidelines for a land-use management system in the municipality
- Set out a capital investment framework for the municipal's development programs
- Contain a strategic assessment of the environmental impact of the spatial development framework
- Identify programs and projects for the development of land within the municipality
- Be aligned with the spatial development frameworks reflected in the integrated development plans of neighbouring municipalities, and etc.



## **Executive Summary of Maruleng SDF**

The SDF for the municipality, which forms part of Mopani District Municipality in the Limpopo Province, which was adopted by council in one of its sittings in January 2008, focuses on the spatial dimensions of development in Maruleng and, as such, is a core component of the municipal IDP. The SDF seeks to create a spatial environment that supports economic growth and development to the benefit of the people of Maruleng.

The analysis of development in Maruleng revealed that most people are poor, with at least half unemployed. They live in rural villages in which the level of economic activity is low with most people being dependent on subsistence living. Places of employment are generally far from the villages, where more than ninety percent of the people live. While the situation is improving, many residents have limited or no access to basic services.

Tourism and agriculture are cornerstones of the Maruleng economy. Hoedspruit is the only urban node of note, with growth of the town driven by tourism. Maruleng is blessed with tremendous natural assets, including rivers and mountain areas, an abundance of wildlife, and areas of great natural beauty. Maruleng contains a large part of the most extensive area of private game reserves on earth, making it an international tourist destination. The world famous Kruger National Park is situated to the east of Maruleng and the SDF include the following:

- Intensification and expansion of the provincial growth node at Hoedspruit
- Establishment of a municipal development corridor linking the rural villages (The Oaks-Metz-Trichardsdal development corridor)
- Development of a municipal growth node at Metz Central
- Concentration of economic activity at a strategic location within each village
- Establishment of Drakensberg Environmental Zone (K2C Biosphere)
- Extensive land areas devoted to agriculture, which include agricultural processing facilities and areas devoted to game reserve.

### **9.3. LAND USE MANAGEMENT SYSTEM**

#### **BACKGROUND**

The Council at its sitting of the 2008 adopted the Land Use Management Scheme which determines and regulates the use and development of land in the municipal area in accordance with the Town-planning and Township Ordinance, 1986 (Ordinance No. 15 of 1986) and is a component of land use management.

#### **PURPOSE**

- Land Use Management Scheme enables the municipality to enforce SDF
- LUMS is an implementation tool of the Spatial Development Framework

#### **COMPONENTS OF LUMS**

In the LUMS contains the following important components:

- General conditions applicable to all properties
- Interpretation of use zones and use of land and buildings
- Specific conditions and development criteria applicable to use zones
- Special, written and temporary consent of the local municipality, and
- Application of scheme and powers of the local municipality.

#### **9.4. LOCAL ECONOMIC DEVELOPMENT (LED) STRATEGY**

The Department of Local Government and Housing appointed Econ Logic Consultants to develop Local Economic Development Strategy for the Municipality. The LED is a component of the Municipality's overall strategic plan as outlined in the IDP process. The strategy provides the municipality with guidelines to create and facilitate economic development, realise the underlying economic development potential, and encourage private sector investment and job creation. The LED Strategy has been recently adopted by Council.

Certain development constraints in the municipality include inter alia lack of education and skills, poverty, lack of infrastructure, lack of municipal capacity access to funding etc. These constraints need to be addressed to ensure sustainable economic growth and development in Maruleng municipality.

However, numerous opportunities exist in the municipality. Agriculture inputs and outputs create opportunities in the manufacturing and processing sector. Furthermore the tourism (natural beauty) and small-scale mining also provide opportunities.

The Strategy identifies 12 short- term and 16 longer-term thrusts, which are to form focus of the Municipality's LED effort over the next 10 years.

- The emphasis in the next 3 years should be on the 12 short-term thrusts. These include:
  - Define Maruleng as a place of global leadership in sustainable development, and showcase the advantages of addressing human and ecological needs simultaneously
  - Redress the space economy through increased affordable housing in Hoedspruit, greater competition in and between the taxi and bus sectors, improved road infrastructure and, in the long term, rail networks and services
  - Focus on the socio-economic returns on the infrastructure spend by creating greater awareness of the mechanisms by which infrastructure leads to LED and by consulting communities and businesses prior to infrastructure roll-outs.
  - Develop enterprise support skills within the municipality so as to better assist emerging businesses, and more effectively engage the private sector. Enterprise support involves a process rather than a once-off transfer of funds. Central to this process is the securing of markets for goods and services
  - Support growth and employment in the agricultural sector as means of protecting employment and generating export revenue.
  - Promote the tourism sector and facilitate better linkages between tourism lodges and local economy
  - Proactively manage land reform so as to prevent a rural catastrophe and an economic liability that will burden the municipality.
  - Implement the National Water Act so as to ensure a more rational distribution of the scarce water resources, and to use water as a development tool
  - Support higher economic multipliers on sector salaries by facilitating local transactions and encouraging gender equity in public sector employment

- Enter the knowledge economy by way of long-term and co-ordinated innovative partnerships with universities and agencies, so as to ensure that knowledge products and the use of technology reflect local capacity and needs
- Establish a municipality-wide socio-economic monitoring and evaluation system so as to ensure better use of available resources and to hold offices to account

❖ **Long- term thrusts involve more complex issues which are:**

- Increasing private tenure to allow more of the population to benefit from property price rises
- Highlighting important social choices between modernity and traditionalism
- Establishing new rail networks and services
- Providing and international customs point at East gate Airport
- Developing a sustainable development strategy
- Controlling diseases
- 

## **9. INTEGRATED WASTE MANAGEMENT STRATEGIC PLAN**

### **Overall aims and goals**

The Integrated Waste Management Plan was developed so that the municipality is able to provide services on waste management to all households and businesses in its municipal area. The IWMP provides universal services, cost effectiveness, reduce the negative impact of waste on human health and the environment, maximize job creation and create opportunity to promote Broad-Based Black Economic Empowerment.

### **Collection**

The municipality provides waste collection services in three urbanised areas: Hoedspruit, Kampersrus and Drakensig for a total of 660 households. This accounts for collection from about 3% of households. In both commercial and residential areas collection takes place once a week. No refuse removal is provided in the 29 villages. These households rely mostly on backyard dumping, burial and burning. These practices adversely impact on human health and the environment. Burning waste is not acceptable under National Policy, Legislation and Regulations.

### **Transporting waste**

The municipality has outsourced collection and transportation. The municipality provides a collection service only for garden waste. Waste is removed from households and businesses in Hoedspruit and Kampersrus directly to the disposal site.

## **Recycling**

A recycling company from Phalaborwa collects materials from a recycling collection point at the gate of the Timbavati Game Reserve. No recycling companies were identified that are based in Maruleng.

## **Disposal**

All collected waste is disposed at the Hoedspruit disposal site. Currently the municipality does not have a licensed landfill site.

## **9.6. AN INTEGRATED HIV/AIDS POLICY**

### **Background**

Municipalities have a constitutional mandate to promote a safe and healthy environment. But during the past decades, there has been an exponential growth in the number of HIV/AIDS infections in South Africa. This growth has been accompanied by greater visibility of the epidemic, especially owing to an increased number of AIDS deaths. Mopani District Municipality has the highest HIV/ AIDS prevalence which has resulted in the increase of child-headed families without any source of income and Maruleng Municipality is no exception as the HIV prevalence rate has sharply increased from 1996 to 2000 and it stands at 27%.

The contributory factors for high prevalence of HIV/AIDS and related diseases amongst others are:

- Poverty, gender inequality and orphanage
- Rapid urbanization and cultural modernization
- Cross border gates and national routes
- Dynamics of growing economy
- Increased in the commercialization of sexual activities
- High unemployment rate
- Low literacy rate
- Alcohol and substance abuse
- High crime rate
- The municipality has developed an HIV/AIDS Programme in line with the National Policies and Guidelines.

## **Objectives**

- To ensure that there will be a collaborative efforts by all in ensuring that a programme is put in place and implemented to support those living with HIV/AIDS
- To prevent the spread of the disease
- To provide clear guidelines in line with legal mandates on dealing with this scourge
- The management of HIV/AIDS will include that of STDs as there is a linkage between them

## **Legal Mandates**

- Labour Relations Act
- Basic Condition of Employment Act
- The Constitution of RSA
- National HIV/AIDS policy guidelines
- Occupational Health and Safety Act
- Compensation for Occupational Injuries and Disease Act

## **Interaction With stakeholders**

The municipality will endeavour to interact and utilize available resources to ensure its contributions to the fight against HIV/AIDS. The municipality will interact with sector departments, private sector, CBOs, NGOs etc and participate in their programmes.

## **9.7. SKILLS DEVELOPMENT PLAN**

The municipality places greater emphasis towards capacitating its personnel in line with the Skills Development Act (Act.NO.97 of 1998) and the Skills Development Levies Act (Act No. 9 of 1999).

The municipality has developed a comprehensive Work Skills Plan which the Equity Plan forms an integral part and has registered with the Local Government Sector Education and Training Authority.

This legal framework and the National Skills Development Strategy are intended to encourage employers to comply with legislations by so doing:

- Support economic growth for employment creation and poverty eradication
- Promote productive citizens by aligning skills development with national strategies for growth and development
- Accelerate Broad based Black Economic Empowerment and Employment Equity, and
- Help to create a competitive and productive work environment.

## **9.8. EMPLOYMENT EQUITY PLAN**

### **PREAMBLE**

Maruleng Municipality has taken into cognizance the history of apartheid laws and practices with the resultant disparities and inequalities, in the spirit of Employment Equity Act is geared towards achieving employment equity across all occupational levels and categories.

It is further committed to the right to equality as clearly enshrined the Constitution of the Republic of South Africa.

Attempts will be made in order to ensure that the work force is a true reflection of the demographics of the municipal area, the province and the country.

The plan is also aimed at ensuring that South Africa fulfills her obligations as a member of the International Labour Organization.

## OBJECTIVES

- To do away with all forms of unfair discrimination with regard to employment practices and policies.
- To develop and communicate a sexual harassment policy that is in line with the Code of Conduct on Sexual Harassment
- To eradicate all barriers that may hamper the advancement of the designated groups.
- To create a corporate culture that affirms and exploits workplace diversity.
- To ensure that management is actively committed to implementing employment equity.
- To create IDP related strategies that can be employed to make reasonable and serious progress on employment equity on all occupational levels and categories

## 9.9. HOUSING CHAPTER

### Background

The following matters were highlighted by the municipality as being the major housing related problems/concerns in the municipality:

The municipality does not have a dedicated housing unit. At the moment the housing function is housed with the PMU, which only deals with the monitoring of both the waiting list and construction of RDP housing units allocated by the Department of Local Government and Housing. The previous housing facilitator has also resigned, and the duties are currently handled by the Building Inspector.

The municipality does not own any land, both in Hoedspruit and its outposts.

Municipality is unable to access land for low to middle income housing development in and around the town of Hoedspruit. This is because most of the land is privately owned and also priced way above what the municipality can afford to pay. At the moment the municipality does not own any land. However, some government departments and parastatals own portion of land in the area:

- National Department of Public Work owns land on Berlin 209 KT and Amsterdam 208 KT,
- Limpopo Department of Public Works owns land at Bedford 419 KT. These three portions are strategically situated to address the issue of integrated housing development within the town, if only negotiations with the sister departments can succeed, and
- Transnet owns property in town and the houses are currently occupied by illegal tenants. (Transnet is no longer operational in the area). This fact adds to the strain on municipal infrastructure because there is no management therefore there is no payment for municipal services used. Illegal occupation has led to overcrowding and construction of informal structures.



- Applications to the DPLGH to assist in purchasing such land is ongoing, but it takes too long and it is also overtaken by private developer driven residential projects
  - The lack of racial and economic integration within the municipality, i.e. the residents in the Hoedspruit town are predominantly white and affluent, whilst those that live almost 40km north west are predominantly black and poor. High prices of land and houses in and around town. This fact makes it almost impossible for the black people who work in town to afford property nearer their places of work.
  - Residential development is largely developer driven, making it a challenge for the municipality to have control over housing development.
  - The over-extended bulk infrastructure in the town of Hoedspruit, which needs an upgrade. At the moment the municipality lacks capacity and funds to deal with this problem. However Mopani District Municipality has appointed service providers to upgrade the current bulk water and sewerage infrastructure.
  - Minimal or total lack of bulk infrastructure in the villages. Municipality lacks capacity and funds to address current backlog.

The municipality also raised challenges in relation to the way the DPLGH deals with issues without proper consultations with the municipality. The following issues were listed:

- Blocked projects – housing units that are either incomplete or of poor quality,
- The allocation of houses and beneficiary screening,
- Appointment of developers, and how their work needs to be monitored , and
- The non-payment of local labourers by developers

## **9.10. STRATEGIC AUDIT PLAN**

### ***Purpose of this document***

This document sets out the Strategic Three-year rolling Internal Audit Plan as well as the Annual Internal Audit Plan for the financial year ending 30 June 2014 (collectively referred to as the Internal Audit Plan), for consideration and approval by the Audit Committee. It was prepared on the combined assurance principle with the aim to avoid excessive duplication of effort between the various assurance providers of serving Maruleng Local Municipality.

The Internal Audit Plan for Maruleng Local Municipality was prepared to provide an efficient and effective assurance service to:

- The Executive Mayor;
- The Executive Council;
- Municipal Manager;
- The Audit Committee; and
- Line Management.

The approach was to formulate a risk-based plan to align the priorities of the Maruleng Local Municipality Internal Audit with the objectives and goals of the municipality and the related strategic risks as identified for the three years 2009/10 to 2012/13

### ***Restriction on distribution of this document***

This document has been prepared for the sole and exclusive use of Maruleng Local Municipality and may not be made available to anyone other than authorised persons within Maruleng Local Municipality, nor relied upon by any third party without the prior written consent of Maruleng Local Municipality Internal Audit.

### **Internal Audit Roles and responsibilities**

The Institute of Internal Auditors defines internal auditing as follows:

*“An independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”*

Maruleng Local Municipality Internal Audit therefore evaluates and contributes to the improvement of risk management, control and governance systems.

### ***Governance***

Internal Audit should assist Council and Management in achieving goals of Maruleng Local Municipality by evaluating the process through which:

- Goals and values are established and communicated;
- Goals are accomplished and monitored; and
- Accountability is ensured and corporate values are preserved.

### ***Risk Management***

The Maruleng Local Municipality Internal Audit should assist the municipality in identifying, evaluating and assessing significant organisational risks and should provide assurance as to the effectiveness of related internal controls regarding the focus areas reviewed.

Furthermore Internal Audit should evaluate the risk management process of the municipality for efficiency and effectiveness.

### ***Controls***

Internal audit should evaluate if the controls of the focus areas as set out in the Internal Audit Plan and which management relies on to manage the risks down to acceptable levels, are appropriate and functioning as intended (i.e. are they effective and efficient) and make recommendations for enhancement or improvement of the current system of internal control.

It must be stressed that Internal Audit is not responsible for implementing and managing controls. Internal Audit is responsible for reporting on the effectiveness of the control environment.

Internal Audit is authorised to:

- Have unrestricted access to all functions, records, property and personnel;
- Have full and uninhibited access to the Audit Committee;
- Allocate its own resources; determine frequencies, subjects, scope of work to be performed; and apply the techniques required to accomplish its audit objectives; and
- Obtain the necessary assistance of personnel in departments and functions of Maruleng Local Municipality where they perform audits, as well as other specialised services from within or outside the organisation.

Internal Audit is not authorised to:

- Perform any operational duties for Maruleng Local Municipality;
- Initiate or approve accounting transactions external to the internal auditing function; and

Direct the activities of any employee outside Internal Audit, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist Internal Audit in carrying out its functions

### **9.11. RISK MANAGEMENT POLICY**

According to sec 62(1)(c) of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective and efficient and transparent systems:

- i. Of financial and risk management and internal control; and
- ii. Of internal audit operating in accordance with prescribed norms and standards.

**The municipality subscribe to the fundamental principles that all resources will be utilized economically to ensure:**

- ❖ Maintain the highest standards of service delivery
- ❖ Management system containing the appropriate elements aimed at minimising risks and costs in the interest of all stakeholders
- ❖ Educating and training of all our staff members to ensure continuous improvement in knowledge, skills and capabilities which facilitate constituent conformance to stakeholders expectations; and
- ❖ Maintaining an environment, which promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction

### **9.12. ANTI-CORRUPTION POLICY**

#### **Introduction**

The MLM as established through Systems Act of 2000 is one of the high interactive government level. The inter-activeness nature has a potential to generate illegal, fraudulent and corrupt activities. The MLM has zero tolerance to illegal activities inclusive fraud and corruption. This policy is intended to stop and limit a corruption and fraud friendly environment.

#### **Objectives**

- To give effect to prevention and combating of corrupt activities in terms of Act 12 of 2004, MFMA, MLM Code of Conduct and MLM Supply Chain Policy
- To prevent and combat fraud and corruption and to related corrupt activities.
- To punish perpetrators of corruption and fraud
- To safeguard MLM properties, funds, business and interest

## 9.13 Disaster Risk Management Plan

### Background

With the new Disaster Management Act (Act 57 of 2002), disaster management in South Africa has undergone major reform when government took the decision to move away from the customary perception that disasters were inevitable and therefore could only be dealt with once they had occurred. The essence of the Disaster Management Act can broadly be summarized as:

- The integration of risk reduction strategies into development initiatives.
- The development of a strategy to reduce the vulnerability of South Africans especially poor and disadvantaged communities – to disasters.
- The establishment of a National Disaster Management Centre to:
  - ensure that an effective disaster management strategy is established and implemented;
  - co-ordinate disaster management at various levels of government;
  - Promote and assist the implementation of disaster management activities in all sectors of society.
- The introduction of a new disaster management funding system which:
  - ensures that risk reduction measures are taken;
  - builds sufficient capacity to respond to disasters;
  - Provides for adequate post-disaster recovery.
- The new Disaster Management Act;
  - Brings about an uniform approach to disaster management;
  - Seeks to eliminate the confusion created by current legislation regarding declarations of disasters;
  - Addresses legislative shortcomings by implementing key policy objectives.
- The establishment of a framework (strategic policy) to enable communities to be informed, alert and self-reliant and capable of supporting and co-operating with government in disaster prevention and mitigation

## **9.14 Institutional Plan**

### **PREAMBLE**

The Maruleng Municipality has observed with concern the rate at which staff members are exiting the municipality. Such a phenomenon has a potential to frustrate efforts towards the achievements of the municipality's objectives as outlined in the IDP and SDBIP. The municipality needs to ensure that the above situation is addressed. For example, it has been observed that certain specific occupational categories are characterized by resignations of staff due to a variety of reasons such as lower salaries, career advancement and general working conditions, etc. In addition, notwithstanding the fact that the Municipality does assist its employees to achieve some tertiary qualifications, and there are those employees who pursue those qualifications at their own expense, it has also been observed that no follow-up is made by the Municipality to ensure that the employees are correctly placed and effectively utilized after the completion of their studies. All the above anomalies and /or omissions have to be addressed by the Municipality if it is to retain and attract competent staff from the labour market.

### **OBJECTIVES**

**To ensure a conducive and harmonious working environment for employees throughout the Municipality**

- To attract and retain competent staff
- To retain staff members whose services are regarded as critical
- To identify the individual's potential for assuming a higher degree of responsibility
- To help develop a skills base for succession planning
- To ensure career development for staff

### **MANDATES LEGISLATIVE FRAME WORK**

- Recruitment and Selection Policy
- Employment Equity Act 55,1998
- Performance Management Policy
- Affirmative Action and Employment Equity Plan
- Skills Development Act 97,1998
- Bursary Policy
- Labour Relations Act,1995 cleaning team to check the relevancy
- Systems Act
- Basic Condition of Employment Act

## **10: ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM**

### **10.1. Introduction**

Section 41(1) of the Municipal Systems Act, (Act 32 of 2000) states that a municipality must:

- Set KPI's as a yardstick for measuring performance targets
- Monitor performance
- Measure and Review performance at least once per year
- Steps to improve performance where performance targets are not met
- Establish a process of regular reporting

Section 42 of the same Act:

- States that a municipality must involve the local community in the development, implementation and review of the Performance Management System. In view of the above, the intention of Maruleng Local Municipality is to in future involve the community in setting strategic KPI's and measuring performance targets of the municipality. Monitoring and evaluation was incorporated to the Maruleng Local Municipality's strategy through their Performance Management Systems in terms of quarterly assessment of performance.

IDP fulfils the planning stage of PM and PM fulfils the implementation, management, monitoring and evaluation of the IDP process. The Performance Management Systems developed, implemented and maintained within the Maruleng Local Municipality provides the framework to ensure the IDP is implemented and measured.

### **10.2. Monitoring, Assessment, Evaluation and Review**

Monitoring is the regular observation and recording of activities taking place in a project or programme. Relevant data is gathered in an efficient and timely manner and in sufficient quantities to provide meaningful results after which it is processed to identify and categorize factors relevant to specific concerns. In monitoring, data should be analyzed and the results displayed so that personnel can take appropriate actions.

Monitoring which involves a process of routinely gathering information on all aspects of the objective, programme or project has been operationalised within the Maruleng Local Municipality by making use of the SDBIP reporting to monitor quarterly progress towards targets as set out. Cascading the SDBIP further down to the departmental/sectional level will help Maruleng Local Municipality to review performance quarterly and be able to take necessary steps to improve performance where performance targets are not met.

Assessment is a process of measuring or quantifying the level of attainment or competence within a specified domain whereby scores are attached to see how well the theme, objective, programmes or projects have been achieved. On the other hand evaluation is determining of value, or the measurement of value added. The municipality needs to determine whether, or not, the programme or project adds value or is contributing to the organisation's strategy.

Review simply means to look at something again, critically to make sure that it is adequate, accurate, or correct. It also means to reconsider or revisit a process or programme with an aim of improving the results. Review in PM must ensure that action is taken in response to actual performance to make outcomes better than they would otherwise be, thus the time to make adjustments or to re-devise the strategies. Typically this should be the case at the IDP and PM review

### 14.3. REPORTING

Information Management became the backbone of any business and IT governance is inseparable from good corporate governance. Maruleng Local Municipality is still reporting on a manual spreadsheet system but plans on investigating the implementation of automated system that will greatly enhance reporting within municipality. The utilisation of an automated performance management system will allow for feed-back regarding the attainment of targets and progress on project implementation as indicated in the IDP and SDBIP documents. This will allow Council with the opportunity to have access to real time information.

Maruleng Local Municipality will in this financial year strive to schedule Performance Reports, Budgets and other reports as required by legislation. The following reports will be produced:

- Quarterly Council Report
- Monthly Management Report
- Monthly Departmental. Performance Reports
- Quarterly SDBIP Report
- Half-year DPLG Report
- Annual DPLG Report
- Annual Performance Report



Reporting in the monitoring process also involves giving feedback about the progress of the project to the donors, implementers and beneficiaries of the project. Maruleng Local Municipality has been able to develop a Ward Monitoring Scorecard though at a pilot stage to help ward committees to give report back to the communities who will be beneficiaries of the project.

In the process of establishing regular reporting to council, other political structures, political office bearers and staff of the municipality and the public and appropriate organs of state, Maruleng Local Municipality is guided by the principles of reliability, relevance, clarity, comparability, timeliness and verifiability.

## **11. CONCLUSION**

Maruleng Local Municipality addressed gaps that were identified by adopting a developmental approach and by ensuring that it can respond to and meet the challenges it faces as an organisation. The municipality has developed its strategic focus within its integrated developmental processes with programmes based on both national KPA's and municipal strategic priorities.

Maruleng Local Municipality has properly planned on how it will be able to deliver services efficiently, effectively and economically and complying with the identified needs. The Balanced Scorecard methodology will help the municipality to focus on attainment of its strategic objectives and measurements of effective implementation of its strategies.